MONTANA LEGISLATIVE HISTORY

Chapter 678 1979

Bill H 891 S _____ Original bill & history ✓ C

H. Committee on Appropriations			S. Committee on Finance & Claims		
Re-referred to: Select Comm. Employee Comp.					
Hearing Date(s)	3-30	___C	Hearing Date(s)	4-12	___C
	4-2	___C	Out	4-13	___C
	_____	___C		_____	___C
returned to Appropriations	4-5	___C Out		_____	___C
Date Out	_____	___C			

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

The Law Library has no Feb minutes on this bill, no exhibits for Select Committee

CHAPTER NO. 628

HOUSE BILL NO. 891

INTRODUCED BY SOUTH, GERKE, DUSSAULT, VINCENT, RAMIREZ

IN THE HOUSE

February 23, 1979	Introduced and referred to Committee on Appropriations.
February 27, 1979	Rereferred to Select Committee on Employee Compensation.
April 4, 1979	Rereferred to Committee on Appropriations.
April 7, 1979	Committee recommend bill do pass as amended. Report adopted.
April 9, 1979	Printed and placed on members' desks.
April 10, 1979	Second reading, do pass as amended.
April 10, 1979	On motion rules suspended and bill placed on third reading this day.
	Third reading, passed. Engrossed before transmittal. Transmitted to second house.

IN THE SENATE

April 11, 1979	Introduced and referred to Committee on Finance and Claims.
April 16, 1979	Committee recommend bill be concurred in as amended. Report adopted.
April 17, 1979	Second reading, concurred in.
	On motion rules suspended. Bill placed on Calendar for third reading this day.

April 17, 1979	Third reading, concurred in as amended.

IN THE HOUSE

April 18, 1979	Returned from second house. Concurred in as amended.
	Second reading, amendments adopted.
	Third reading, amendments adopted. Sent to enrolling.
	Reported correctly enrolled.

House BILL NO. 891

INTRODUCED BY Smith Eck Dussault Vincent Ramirez

A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH STATE EMPLOYEE COMPENSATION AND PROVIDE PAY SCHEDULES FOR FISCAL YEARS 1980 AND 1981; APPROPRIATING FUNDS THEREFOR; AMENDING SECTIONS 2-18-101, 2-18-106, 2-18-301, 2-18-303, 2-18-304, 2-18-305, 2-18-311, 2-18-312, 2-18-701, AND 2-18-703, MCA; AND REPEALING SECTION 2-18-307, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 2-18-101, MCA, is amended to read:

"2-18-101. Definitions. As used in parts 1 through 3 of this chapter, the following definitions apply:

(1) "Agency" means a department, board, commission, office, bureau, institution, or unit of state government recognized in the state budget.

(2) "Compensation" means the annual wage or salary plus the ~~annual~~ state contribution ~~of--health--insurance premiums~~ to group benefits under provisions of 2-18-703.

(3) "Department" means the department of administration.

(4) Except in 2-18-306, "employee" means any state employee other than an employee excepted under 2-18-103 from the statewide classification system.

(5) "Personal staff" means those positions occupied by employees appointed by the elected officials enumerated in 2-18-103(10).

(6) "Position" means a collection of duties and responsibilities currently assigned or delegated by competent authority, requiring the full-time, part-time, or intermittent employment of one person.

(7) "Program" means a combination of planned efforts to provide a service."

Section 2. Section 2-18-106, MCA, is amended to read:

"2-18-106. No limitation on legislative authority. Parts 1, ~~and~~ 2, and 3 do not limit the authority of the legislature relative to appropriations for salary and wages. The budget director shall adjust his determinations in accordance with legislative appropriations."

Section 3. Section 2-18-301, MCA, is amended to read:

"2-18-301. ~~Rules~~ Purpose and intent of part -- rules. (1) The purpose of this part is to provide the compensation necessary to attract and retain competent and qualified employees in order to perform the services the state is required to provide to its citizens.

(2) It is the intent of the legislature that the pay schedules provided in 2-18-311, 2-18-312, [section 10], [section 11], or [section 12] will generally grant state employees up to a 5.5% a year salary increase for fiscal

years 1980 and 1981, not including increases that are otherwise provided for in [this act].

(3) The department shall endeavor to administer the pay program established by the legislature on the basis of merit, internal equity, and competitiveness to external labor markets when fiscally able.

(4) The department ~~of administration, subject to approval by the budget director,~~ may promulgate rules not inconsistent with the provisions of this part, collective bargaining statutes, or negotiated contracts to carry out the purposes of this part."

Section 4. Section 2-18-303, MCA, is amended to read:

"2-18-303. Procedures for utilizing pay schedules. ~~(1) The pay matrix provided in 2-18-311 indicates the annual compensation for the fiscal year ending June 30, 1978, for each step and grade for positions classified under provisions of law. Except as provided in 2-18-307 for collective bargaining units, the compensation of each employee shall, on the first day of the first pay period in July, 1977, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1977. The employee will advance one step on the employee's anniversary date as determined by the department of administration. If the employee's anniversary date falls between (inclusive) July 1 and the first day of the first~~

~~pay period of 1977, he or she will advance one step on the first day of that pay period.~~

~~(2) The pay matrix provided in 2-18-312 indicates the annual compensation for the fiscal year ending June 30, 1979, for each step and grade for positions classified under provisions of law. Except as provided in 2-18-307 for collective bargaining units, the compensation of each employee shall, on the first day of the first pay period in July, 1978, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1978. The employee will advance one step on the employee's anniversary date as determined by the department of administration. If the employee's anniversary date falls between (inclusive) July 1 and the first day of the first pay period of 1978, he or she will advance one step on the first day of that pay period.~~ (1) The pay schedules provided in 2-18-311 and 2-18-312 shall be implemented as follows:

(a) The pay schedule provided in 2-18-311 indicates the annual compensation for the fiscal year ending June 30, 1980, for each grade and step for positions classified under the provisions of this chapter.

(b) The pay schedule provided in 2-18-312 indicates the annual compensation for the fiscal year ending June 30, 1981, for each grade and step for positions classified under the provisions of part 2 of this chapter.

(c) Each new employee shall advance from step 1 to step 2 of a grade after successfully completing 6 months of probationary service.

(d) In compliance with rules adopted to implement [this act], and based on meritorious work performance, each employee is eligible on his anniversary date to advance one step in the pay matrix each fiscal year. However, if the employee's anniversary date falls between July 1 through and including the first day of the first pay period of fiscal year 1980 or 1981, as the case may be, he will advance one step on the first day of that pay period.

(2) The pay schedules provided in 2-18-311 and 2-18-312 and the provisions of subsection (1) of this section do not apply to those institutional teachers, retail-clerk occupations, or blue-collar-craft occupations compensated under the pay schedules provided in [sections 10, 11, or 12].

(3) The pay schedules provided in [sections 10, 11, and 12] shall be implemented as follows:

(a) The pay schedules provided in [section 10] indicate the annual compensation for fiscal years ending June 30, 1980, and June 30, 1981, for teachers employed by institutions under the authority of the department of institutions.

(b) The pay schedules provided in [section 11]

indicate the annual compensation for fiscal years ending June 30, 1980, and June 30, 1981, for those employees in retail-clerk occupations who have collectively bargained separate classification and pay plans.

(c) The pay schedules provided in [section 12] indicate the annual compensation for fiscal years ending June 30, 1980, and June 30, 1981, for those employees in blue-collar-craft occupations who have collectively bargained separate classification and pay plans.

(d) (i) No member of a bargaining unit (whether comprised of institutional teachers, retail-clerk occupations, or blue-collar-craft occupations, as the case may be) may receive the amounts indicated in the respective pay schedules provided in [sections 10, 11, or 12] until the bargaining unit of which he is a member ratifies a completely integrated collective bargaining agreement covering the biennium ending June 30, 1981.

(ii) In the event that negotiation and ratification of a completely integrated collective bargaining agreement as required by subsection (3)(d)(i) of this section is not completed by July 1, 1979, retroactivity to that date may be negotiated.

(iii) In the event that negotiation and ratification of a completely integrated collective bargaining agreement as required by subsection (3)(d)(i) of this section is not

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completed by July 1, 1979, members of the bargaining unit involved will continue to receive the compensation they were receiving as of June 30, 1979.

(6) Rules and policies necessary to properly implement the pay schedules provided in [sections 10, 11, or 12] may be provided for in collective bargaining agreements."

Section 5. Section 2-18-304, MCA, is amended to read:

"2-18-304. Longevity allowance. In addition to the compensation ~~determined~~ provided for in 2-18-311, ~~and~~ 2-18-312, [section 10], [section 11], or [section 12], each employee who has completed ~~at least~~ 5 years of uninterrupted state service shall receive ~~the amount obtained by multiplying~~ the larger of $10 a month or 10% of the difference between the base compensation for his grade and (where applicable) step and the base compensation for the next highest grade and (where applicable) corresponding step ~~in the next highest grade~~ multiplied by the number of completed, contiguous 5-year periods of uninterrupted state service ~~he has with the state~~. Service to the state may is not ~~be considered to have been~~ interrupted by authorized leaves of absence."

Section 6. Section 2-18-305, MCA, is amended to read:

"2-18-305. Allocation between wages and ~~health insurance~~ group benefits. (1) The dollar amounts shown in the respective ~~matrices~~ pay schedules provided in 2-18-311, and 2-18-312, [section 10], [section 11], or [section 12], as the case may be, represent the maximum amount allocated by the state for wages and ~~health insurance~~ group benefits, exclusive of longevity as defined in 2-18-304. Except as provided in subsection (2) of this section, that amount specifically allocated for ~~health insurance~~ group benefits shall be determined by 2-18-703. An employee who elects not to be covered by a state ~~health insurance~~ employee group benefit plan will receive as wages the amount shown in the appropriate ~~matrix~~ pay schedule less the state contribution for ~~health insurance~~ group benefits as determined by 2-18-703.

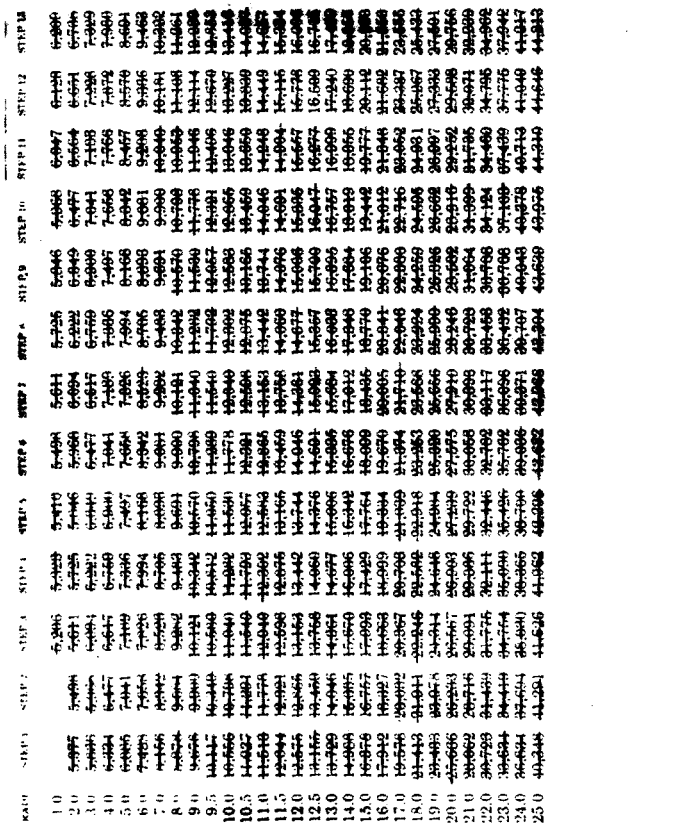
(2) Employees may, through collective bargaining, determine the allocation of the amounts shown in the ~~matrices~~ pay schedules provided in 2-18-311, and 2-18-312, [section 10], [section 11], or [section 12], as the case may be, between wages and ~~health insurance~~ group benefits, except that in no case may the ~~health insurance~~ group benefits allocation be less than the amounts provided in 2-18-703."

NEW SECTION. Section 7. Bonus plan. The department shall develop a bonus plan to reward employees for superior performance. Employees eligible to receive a bonus under the bonus plan are limited to 10% of the number of employees in each agency for each fiscal year. The bonus plan may provide

up to $500 a fiscal year for either exceptional single-event performance or consistent superior performance. Bonuses may be prorated by pay period. An employee may receive only one bonus award in a 12-month period.

Section 8. Section 2-18-311, MCA, is amended to read:

"2-18-311. Pay ~~matrix~~ schedule for ~~first~~ fiscal year 1980.



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STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09	STEP 10	STEP 11	STEP 12	STEP 13
			6,102	6,236	6,363	6,457	6,552	6,674	6,797	6,928	7,059	7,144
5,969	6,283	6,421	6,552	6,674	6,797	6,928	7,059	7,195	7,333	7,470	7,609	7,703
6,429	6,767	6,917	7,059	7,195	7,333	7,470	7,609	7,761	7,914	8,065	8,218	8,318
6,927	7,292	7,455	7,609	7,761	7,914	8,065	8,218	8,378	8,537	8,710	8,884	9,001
7,479	7,873	8,050	8,218	8,378	8,537	8,710	8,884	9,066	9,247	9,435	9,623	9,747
8,085	8,510	8,701	8,884	9,066	9,247	9,435	9,633	9,818	10,015	10,218	10,421	10,556
8,753	9,214	9,422	9,623	9,818	10,015	10,218	10,421	10,638	10,855	11,080	11,305	11,456
9,477	9,976	10,202	10,421	10,638	10,855	11,080	11,305	11,544	11,782	12,029	12,275	12,443
10,279	10,820	11,066	11,305	11,544	11,782	12,029	12,275	12,537	12,797	13,065	13,333	13,515
11,159	11,746	12,013	12,275	12,537	12,797	13,065	13,333	13,616	13,899	14,202	14,506	14,702
12,118	12,756	13,047	13,333	13,616	13,899	14,202	14,506	14,817	15,130	15,456	15,782	16,000
13,182	13,876	14,194	14,506	14,817	15,130	15,456	15,782	16,123	16,463	16,819	17,173	17,414
14,339	15,094	15,440	15,782	16,123	16,463	16,819	17,173	17,551	17,938	18,318	18,709	18,971
15,601	16,422	16,799	17,173	17,535	17,898	18,261	18,622	18,985	19,348	19,711	20,072	20,434
16,995	17,889	18,300	18,709	19,072	19,435	19,797	20,158	20,521	20,883	21,246	21,609	21,970
18,542	19,507	19,956	20,405	20,768	21,131	21,491	21,854	22,216	22,579	22,941	23,304	23,667
20,262	21,265	21,755	22,246	22,608	22,971	23,333	23,694	24,057	24,420	24,781	25,144	25,507
22,041	23,201	23,736	24,274	24,636	24,999	25,362	25,724	26,085	26,448	26,810	27,173	27,536
24,065	25,332	25,918	26,507	26,870	27,230	27,592	27,955	28,318	28,679	29,042	29,405	29,767
26,273	27,656	28,297	28,942	29,302	29,664	30,027	30,390	30,752	31,115	31,478	31,839	32,202
28,704	30,215	30,917	31,623	32,028	32,346	32,709	33,071	33,433	33,795	34,158	34,520	34,883
31,372	33,023	33,790	34,563	34,926	35,289	35,651	36,013	36,374	36,737	37,099	37,462	37,825
34,287	36,091	36,933	37,781	38,142	38,505	38,868	39,231	39,591	39,954	40,317	40,679	41,042
37,497	39,470	40,389	41,317	41,680	42,042	42,404	42,765	43,127	43,490	43,853	44,215	44,577
41,018	43,177	44,182	45,200	45,562	45,925	46,288	46,649	47,012	47,375	47,737	48,100	48,469

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GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11	STEP 12	STEP 13
1.0			5,784	5,911	6,031	6,138	6,240	6,326	6,448	6,567	6,691	6,772	6,856
2.0	5,965	6,086	6,210	6,336	6,443	6,567	6,691	6,820	6,961	7,081	7,212	7,301	7,390
3.0	6,414	6,556	6,691	6,820	6,951	7,081	7,212	7,356	7,501	7,645	7,790	7,884	7,981
4.0	6,912	7,066	7,212	7,356	7,501	7,645	7,790	7,941	8,092	8,266	8,421	8,542	8,640
5.0	7,468	7,680	7,790	7,941	8,092	8,266	8,421	8,598	8,766	8,948	9,121	9,249	9,355
6.0	8,066	8,247	8,421	8,598	8,766	8,948	9,121	9,306	9,493	9,686	9,878	10,008	10,130
7.0	8,704	8,901	9,121	9,306	9,493	9,686	9,878	10,088	10,289	10,502	10,716	10,859	11,003
8.0	9,456	9,670	9,878	10,088	10,289	10,502	10,716	10,948	11,168	11,402	11,685	11,704	11,852
9.0	10,256	10,480	10,716	10,948	11,168	11,402	11,685	11,883	12,130	12,384	12,648	12,810	12,982
9.5	10,685	10,938	11,174	11,412	11,648	11,898	12,187	12,894	12,672	12,923	13,194	13,373	13,551
10.0	11,134	11,387	11,635	11,888	12,130	12,864	12,696	13,006	13,174	13,462	13,750	13,936	14,121
10.5	11,615	11,870	12,130	12,384	12,658	13,003	13,194	13,477	13,761	14,058	14,358	14,554	14,747
11.0	12,091	12,367	12,638	12,906	13,174	13,462	13,750	14,045	14,344	14,656	14,959	15,166	15,372
11.5	12,622	12,910	13,194	13,477	13,761	14,058	14,358	14,664	14,974	15,297	15,619	15,837	16,053
12.0	13,153	13,454	13,750	14,045	14,344	14,650	14,959	15,282	15,605	15,942	16,278	16,506	16,732
12.5	13,733	14,047	14,358	14,664	14,974	15,297	15,619	15,959	16,301	16,652	17,007	17,242	17,486
13.0	14,307	14,635	14,959	15,282	15,605	15,942	16,278	16,686	16,993	17,368	17,764	17,982	18,228
14.0	15,566	15,923	16,278	16,621	16,965	17,309	17,651	17,995	18,339	18,683	19,026	19,269	19,712
15.0	16,956	17,346	17,734	18,078	18,442	18,765	19,107	19,451	19,791	20,138	20,482	20,825	21,168
16.0	18,490	18,916	19,341	19,685	20,029	20,371	20,715	21,058	21,402	21,745	22,089	22,433	22,775
17.0	20,156	20,621	21,086	21,429	21,773	22,117	22,459	22,803	23,147	23,489	23,833	24,177	24,520
18.0	21,911	22,409	23,000	23,352	23,696	24,040	24,388	24,725	25,069	25,412	25,756	26,100	26,444
19.0	24,011	24,567	25,125	25,469	25,840	26,154	26,498	26,842	27,184	27,528	27,872	28,215	28,556
20.0	26,214	26,822	27,433	27,774	28,116	28,462	28,806	29,149	29,493	29,837	30,179	30,523	30,866
21.0	28,640	29,305	29,974	30,358	30,660	31,004	31,347	31,690	32,033	32,377	32,720	33,064	33,408
22.0	31,301	32,028	32,761	33,105	33,449	33,792	34,135	34,478	34,822	35,165	35,509	35,853	36,196
23.0	34,212	35,008	35,811	36,154	36,498	36,842	37,186	37,527	37,871	38,215	38,558	38,902	39,246
24.0	37,412	38,283	39,163	39,507	39,850	40,193	40,536	40,879	41,223	41,567	41,910	42,253	42,597
25.0	40,926	41,879	42,844	43,187	43,531	43,875	44,217	44,561	44,905	45,248	45,592	45,934	46,278

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Section 9. Section 2-18-312, MCA, is amended to read:

"2-18-312. Pay matrix schedule for second fiscal year 1981.

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GRD	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09	STEP 10	STEP 11	STEP 12	STEP 13
1					6,438	6,579	6,713	6,812	6,912	7,041	7,171	7,309	7,447
2	6,171	6,496	6,629	6,774	6,912	7,041	7,171	7,309	7,447	7,591	7,736	7,881	8,027
3	6,646	6,996	7,139	7,292	7,447	7,591	7,736	7,881	8,027	8,188	8,349	8,509	8,670
4	7,162	7,535	7,693	7,865	8,027	8,188	8,349	8,509	8,670	8,839	9,007	9,189	9,373
5	7,733	8,140	8,306	8,493	8,670	8,839	9,007	9,189	9,373	9,565	9,756	9,954	10,152
6	8,358	8,798	8,978	9,180	9,373	9,565	9,756	9,954	10,152	10,358	10,566	10,780	10,994
7	9,051	9,527	9,721	9,940	10,152	10,358	10,566	10,780	10,994	11,223	11,452	11,689	11,927
8	9,799	10,315	10,525	10,763	10,994	11,223	11,452	11,689	11,927	12,179	12,430	12,691	12,950
9	10,628	11,187	11,415	11,675	11,927	12,179	12,430	12,691	12,950	13,227	13,501	13,784	14,066
10	11,537	12,144	12,392	12,674	12,950	13,227	13,501	13,784	14,066	14,365	14,663	14,983	15,304
11	12,530	13,189	13,458	13,765	14,066	14,365	14,663	14,983	15,304	15,632	15,962	16,306	16,650
12	13,629	14,346	14,639	14,975	15,304	15,632	15,962	16,306	16,650	17,010	17,368	17,744	18,118
13	14,826	15,606	15,924	16,289	16,650	17,010	17,368	17,744	18,118	18,516	18,914	19,325	19,738
14	16,130	16,979	17,325	17,723	18,118	18,499	18,882	19,265	19,646	20,029	20,412	20,795	21,176
15	17,571	18,496	18,873	19,307	19,738	20,121	20,504	20,886	21,267	21,650	22,032	22,415	22,797
16	19,162	20,168	20,580	21,054	21,527	21,910	22,293	22,673	23,056	23,438	23,821	24,203	24,586
17	20,887	21,986	22,435	22,952	23,470	23,851	24,234	24,616	24,997	25,380	25,763	26,144	26,527
18	22,788	23,987	24,477	25,041	25,609	25,991	26,374	26,757	27,139	27,520	27,903	28,285	28,668
19	24,881	26,191	26,725	27,343	27,965	28,348	28,728	29,110	29,493	29,875	30,256	30,639	31,022
20	27,163	28,593	29,177	29,853	30,534	30,914	31,296	31,678	32,061	32,443	32,826	33,209	33,590
21	29,677	31,239	31,877	32,617	33,362	33,790	34,125	34,508	34,890	35,272	35,654	36,037	36,419
22	32,435	34,142	34,839	35,648	36,464	36,847	37,230	37,612	37,993	38,375	38,758	39,139	39,522
23	35,451	37,317	38,079	38,964	39,859	40,240	40,623	41,006	41,389	41,769	42,151	42,534	42,916
24	38,768	40,808	41,641	42,610	43,509	43,972	44,354	44,736	45,117	45,499	45,882	46,265	46,647
25	42,409	44,641	45,552	46,612	47,686	48,068	48,451	48,834	49,215	49,598	49,981	50,363	50,746

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NEW SECTION. Section 10. Pay schedules for institutional teachers.

(1) Teacher pay schedule for fiscal year 1980:

Experience (Grade)	BA (Step 1)	BA+1 qtr. (Step 2)	BA+2 qtr. (Step 3)	5th Year (Step 4)	MA (Step 5)
0	9,370	9,689	10,017	10,176	10,335
1	9,745	10,101	10,457	10,635	10,813
2	10,120	10,513	10,897	11,094	11,291
3	10,494	10,925	11,338	11,553	11,769
4	10,869	11,338	11,778	12,012	12,247
5	11,244	11,750	12,218	12,471	12,724
6	11,619	12,162	12,659	12,931	13,202
7	11,994	12,575	13,099	13,390	13,680
8	12,368	12,987	13,540	13,849	14,158

(2) Teacher pay schedule for fiscal year 1981:

Experience (Grade)	BA (Step 1)	BA+1 qtr. (Step 2)	BA+2 qtr. (Step 3)	5th Year (Step 4)	MA (Step 5)
0	9,670	9,999	10,337	10,502	10,666
1	10,057	10,424	10,792	10,975	11,159
2	10,444	10,850	11,246	11,449	11,652
3	10,830	11,275	11,701	11,923	12,146
4	11,217	11,701	12,155	12,397	12,639
5	11,604	12,126	12,610	12,871	13,132
6	11,991	12,552	13,064	13,345	13,625
7	12,378	12,977	13,519	13,818	14,118

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1	8	12,764	13,403	13,973	14,292	14,611

NEW SECTION. Section 11. Pay schedule for retail-clerk occupations. (1) Retail clerk pay schedule for fiscal yer 1980:

Grade	$/Hour
L1	4.444
L2	4.804
L3	5.174
L4	5.379
L5	5.594
L6	6.044
L7	6.534
L8	7.084

(2) Retail clerk pay schedule for fiscal year 1981:

Grade	$/Hour
L1	4.729
L2	5.089
L3	5.459
L4	5.664
L5	5.879
L6	6.329
L7	6.819
L8	7.369

NEW SECTION. Section 12. Pay schedules for blue-collar-craft occupations. (1) Blue-collar-craft pay schedule for fiscal year 1980:

Grade	$/Hour
B1	4.947
B2	5.275
B3	5.603
B4	5.931
B5	6.259
B6	6.587
B7	6.915
B8	7.243
B9	7.571
B10	7.899
B11	8.227
B12	8.555
B~~99~~**	8.883

(2) Blue-collar-craft pay schedule for fiscal year 1981:

Grade	$/Hour
B1	5.343
B2	5.671
B3	5.999
B4	6.327
B5	6.655
B6	6.983
B7	7.311
B8	7.639

Grade	$/Hour
B9	7.967
B10	8.295
B11	8.623
B12	8.951
B~~99~~**	9.279

Section 13. Section 2-18-701, MCA, is amended to read:

"2-18-701. Definitions. In this part, as it applies to a person employed in the executive, judicial, or legislative branches of state government, "employee" means:

(1) a permanent full-time employee defined in 2-18-601;

~~(2) a part-time employee defined in 2-18-601 who is scheduled to work at least 20 hours per week;~~

~~(3) a person employed in a seasonal position defined in 2-18-601 who is employed on a regular basis at least 6 months of the fiscal year.~~

(2) a part-time permanent employee, as defined in 2-18-601, who is scheduled to work a regular schedule for 20 hours or more a week;

(3) a seasonal employee, as defined in 2-18-601, who is scheduled to work 6 months or more a year;

(4) elected officials;

(5) officers and employees of the legislative branch;

(6) judges and employees of the judicial branch; and

(7) academic, professional, and administrative

HB 891

personnel having individual contracts under the authority of the board of regents of higher education or the state board of public education."

Section 14. Section 2-18-703, MCA, is amended to read:

"2-18-703. Contributions. (1) ~~The----respective administrative--and--governing--bodies~~ Each agency shall contribute the amount specified in this section towards the ~~insurance premium~~ group benefits cost.

~~(1)~~(2) For employees defined in 2-18-701 other than members of collective bargaining units, and for members of the legislature, the employer contribution for ~~insurance~~ group benefits shall be ~~$240~~ $50 per year month for the fiscal year ending June 30, ~~1978~~ 1980, and ~~$360~~ $60 per year month for each fiscal year thereafter. ~~The--employer--shall prorate--this--amount-for-employees-who-work-less-than-2,080 hours-per-year.~~ Permanent part-time employees who work less than 20 hours a week are not eligible for the group benefit contribution. An employee who elects not to be covered by a state-sponsored group benefit plan may not receive the state contribution as wages.

~~(2)~~(3) For state employee members of a collective bargaining unit, the employer shall pay the amount negotiated with the collective bargaining unit. However, in no case may the amount be less than that provided for in subsection (2) of this section.

~~(3)~~(4) For employees of elementary and high school districts and of local government units, the employer's premium contributions may exceed but ~~shall~~ may not be less than $10 per month."

NEW SECTION. Section 15. Appropriation. There is appropriated to the Office of Budget and Program Planning $3,408,837 for the fiscal year ending June 30, 1980, and $6,921,181 for the fiscal year ending June 30, 1981, from the general fund to carry out the provisions of this act as it pertains to executive branch agencies not including units of the university system, vocational-technical centers, and community colleges. The Office of Budget and Program Planning is authorized to increase the expenditure authority of executive branch agencies, not including units of the university system, by $4,960,200 for the fiscal year ending June 30, 1980, and $10,205,400 for the fiscal year ending June 30, 1981, from funds other than the general fund which accrue under provision of law to the respective agencies to carry out the provisions of this act.

NEW SECTION. Section 16. Reversion of appropriation. Appropriated funds not spent at the end of the fiscal year shall revert to the fund from which appropriated.

Section 17. Codification. (1) Section 7 is intended to be codified as an integral part of Title 2, chapter 18, part 3, and if possible shall be codified as 2-18-308.

(2) Sections 10, 11, and 12 are intended to be codified as an integral part of Title 2, chapter 18, part 3, and if possible shall be codified as 2-18-313, 2-18-314, and 2-18-315, respectively.

Section 18. Repealer. Section 2-18-307, MCA, is repealed.

-End-

ON EMPLOYEE CO SATION
46 Legisla re

Bill No.	Subject Matter	Date In	Sponsor	Hearing Date	Committee Action	Date Out
HB 246	"An Act to Transfer Authority for Changes in Classification and In Class Salaries and Wages Under the State Classification and Pay Plan....."	1-18-79	South	2-20-79	Tabled	
HB 357	"An Act to Establish an Experimental Incentive Pay Program for State Employees for Gains in Economy and Efficiency in the Rendering."	1-24-79	Ellis	2-8-79	Bill taken out of Committee 2-23-79 Transferred to Appropriations	
HB 437	"An Act to Establish a Program Under Which the State of Montana may Provide its Employees with Adequate Group Hospitalization,....."	1-29-79	South	2-8-79	Do Pass As Amended	2-19-79
HB 528	"An Act Relating to Review of Positions and Changes in Classification Under the State Classification and Pay Plan for State Employees..."	2-2-79	South	2-15-79	Do Pass	2-16-79
HB 891	"An Act to Establish State Employee Compensation and Provide Pay Schedules for Fiscal Years 1980 and 1981; Appropriating Funds....."	2-28-79	South	3-30-79	Do Pass to Appropriations	4-4-79
HB 437	"An Act to Establish a Program Under Which the State of Montana may Provide its Employees with Adequate Group Hospitalization,....."	3-15-79	South	2-20-79	Do Pass As Amended	3-22-79

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OF MONTANA

SELECT COMMITTEE ON EMPLOYEE COMPENSATION MEMBERS

HOUSE OF REPRESENTATIVES	SENATE
Carroll South, Chairman	Matt Himsl, Vice Chairman
Howard Ellis	Larry Fasbender
Harold Gerke	Lloyd Lockrem
Dennis Iverson	Pat Regan
Joe Tropila	Pete Story

MINUTES OF THE MEETING
SELECT COMMITTEE ON EMPLOYEE COMPENSATION

7:30 P.M.
March 30, 1979
Room 108
Capitol Building

The meeting was called to order at 7:40 by Acting Chairman Senator Himsl. All members were present.

Chairman Himsl opened the hearing on HB 891, the state employees pay plan bill, and introduced the bill's sponsor, Representative Carroll South.

Representative South, District 51, presented a substitute bill (Exhibit I), and proceeded to walk the committee through it briefly. He explained that the pay plan would supersede all collective bargaining which has not yet been resolved (see page 4, (4) (a) (ii)). On the whole, the percentage of increases in wages is smaller at the top of the pay scale, and larger at the bottom, he explained. He cited the pay scales on page 8, which show that grade 2 has an increase of 8.92% compared to grade 25 which only has a 5% increase over the biennium. He went on further to state that the basic matrices within this bill are based upon the Warms Springs settlement which states that each employee will receive $30 per month, $20 of which is an increased contribution for group benefits, plus 3% increase on the base wage, and provides for a 2% wage step increase on their anniversary date of employment. This bill drops step 1 5% below step 2, which the remaining 12 steps being 2% apart.

He told the committee that the blue collar pay plan is contained on page 9, which provides for a 12% higher wage over the biennium. It also recognizes the disparity which exists between blue collar workers in the executive branch and the university system, and instructs the Board of Regents to try and equalize as much as possible their salaries over the next biennium.

The liquor store employees pending pay schedule is found also on page 9. Representative South stated that negotiations have not yet been reached on their pay plan, so these figures are liable to change.

The institutional teachers pay scale is found on page 8. He presented some amendments (Exhibit II) wihch would bring their wages to 95% parity with other school districts in the state. He cited the Great Falls School for the Deaf and Blind, Helena and Miles City public school districts as examples to bring Pine Hills and Mountain View teachers' salaries into line with. He explained that these figures were computed on an academic year basis, and to arrive at the salary for full-time year around teachers you must multiply the figure times 1.33.

On page 3 of the new bill, he explained, language has been inserted which stipulates that the state's new policy for step increases would be based upon meritorious service rather than length of employment. He advocated that this would give employees more of an incentive to work toward.

Another incentive which is proposed in this bill was the bonus program which is found on page 6. These bonuses are on a year-to-year basis, he explained, and superior performance must be shown each year in order to receive one.

Page 10 contains the group insurance provision. Representative South explained to the committee that currently the state pays $30 per month for each employee for group benefits, whether they are married or single. If the state begins to pay $50 or $60 per month, the single man loses out, because he has to subsidize employees with full family coverage; the single person can receive full coverage for less than $50 and would not be able to utilize the full $50. He stated that the state needs to choose either the composite approach--the current method, or the two-tiered approach, which gives the difference between cost of coverage and amount paid by the state, directly to the single person in wage compensation. He explained that the reason Montana has never tried the two-tiered approach before is because of certain IRS rules, which have just been changed.

Chairman Himsl asked if there were any proponents to HB 891.

Mr. Bill Gosnell, Administrator of the Personnel division, stated that he was in favor of the bill with a few minor changes. He presented amendments to this end. Exhibit III is an amendment which would allow the Department of Administration to authorize a separate pay schedule for medical doctors, since there has been a great deal of problems recruiting competent physicians at the wage they are paid under the current pay plan. The next set of amendments he proposed were regarding liquor store employees (Exhibit IV). The next set of amendments he proposed were to bring parity to the current institutional teachers salaries (Exhibit V). He felt that Section 17 should be stricken from the bill because it is confusing and the problem is addressed in other areas of the bill. He presented a memorandum of agreement between the state and various labor organizations stating that they were against the meritorious work clause (Exhibit VI).

The next proponent to HB 891 was Mr. LeRoy H. Schramm, Chief of the Labor Relations Bureau, who stated that they supported this bill because 85-95% of the bargaining units have signed an agreement stating such. Although they favor this bill, the merit step was not agreed upon during the bargaining, and he stated that it should be removed from the bill. If you are going to leave meritorious step increase in the bill, he felt that it should be a grievable matter. He was in favor of the two-tiered approach, and presented amendments to this end (Exhibit VII).

The next proponent to HB 891 was Mr. Don Judge, the Executive Director of the AFL-CIO. He stated that he was disappointed in the amount of money the state was willing to appropriate, but that something was better than nothing. He stated that he didn't like Section 1 (2) which counts insurance benefits as part of the employees compensation. This language bothered him a great deal. He also didn't approve of the meritorious step increase. He also didn't like Section 3 (2) because it removes the bargaining process during the biennium. He didn't approve of Section 4 (1) (d) in its entirety, because it was the same as previously and they had had problems with this provision. He also didn't approve of (2) of that section, regarding teachers. He also didn't like the shift differential as it was written in the substitute bill. He was also opposed to Section 17. He requested that the committee consider giving more money to all state employees that is more commensurate with the cost of living. He requested that the committee consider all of the amendments and give the bill a do pass recommendation.

The next person to speak on HB 891 was Mr. Pat McKittrick, of the Teamster's Union, who was very much against taking out the collective bargaining aspect for state employees, especially during the interim. He pointed out that you can never tell between sessions, how much the cost of living is going to rise, etc. He felt that it needed to remain in the bill. He also didn't like the idea of meritorious step increases. He didn't agree with the differential of payment for various shifts. He didn't like the two-tiered approach, because it would penalize too many families.

Mr. Jim McGarvey, Montana Federation of Teachers, felt that the separate pay plan for teachers could cost the Boulder teachers between $2000 to $4000 in wages lost. These teachers work year around and the pay schedule in the substitute bill only reflects a nine month wage. He urged the committee to keep the teachers on the regular state classification and pay plan.

Mr. Tom Snyder, the Executive Director of the Montana Public Employees' Association, stated that the matrixes in the bill were as negotiated, but that they had a great deal of problem with the language of the bill. He also stated that his organization didn't support the meritorious step increases. He didn't feel that wages should reflect meritorious service, since the wage proposed was already under the cost of living as shown in the Consumer Price Index. He also stated that he didn't approve of the bonus program. His question to the committee was: "How will determinations of receipt of bonuses be made?" His group is very much in favor of the composite approach to insurance benefits. The language on page 4 dealing with contracts ratified was a problem for his organization, also. He stated that Section 17 should be stricken from the bill.

See Next Page for Pg 19

Mr. Owen Nelson, representing the Montana Education Association, stated that he supported the amendments to Section 10 which deal with teachers' salaries.

Chairman Himsl then asked if there were any opponents to the bill as written.

Mr. Mitch Mihailovich, representing the Pipe Fitters Union of Butte, stated that he was against this bill because he felt it was time the state and unions started working together. This bill negates all possibility of such action he explained, because even if people don't like their wage, they have to take it. He also stated that he believed in equal pay for equal work.

Mr. James Murr, representing the Machinists' Union #29, stated that he concurred with what Mr. Mihailovich said.

Mr. Ben Donalson, representing the Painters' Union, stated that he did not like the idea of throwing collective bargaining out during the biennium, which this bill does. He agreed with the Section that requests that the disparities in wages among blue collar workers be rectified.

Mr. Joe Garrity, stated that he didn't like the meritorious step increase; it wasn't what we negotiated and it doesn't provide a mechanism of operation, he explained to the committee. He also questioned who would grant these increases. He stated that historically meritorious performance has been abused, because the person who generally receives it is not always the one who is most deserving of it.

Mr. Bill Cook, representing the Carpenters' Union, stated that he didn't agree with the meritorious step increase or the bonus provision of the bill.

There being no more opponents, Chairman Himsl asked Representative South to close.

Representative South in closing stated that the pay plan was necessary because the Legislature needed some sort of final figure in which to appropriate from. He also stated that there would be hard feelings raised between married and single people regarding the insurance benefits, but that the single has been penalized for years, and perhaps it's time they were rewarded for a change. He requested the Personnel Division to investigate as to what percentage of employees would be affected by this two-tiered approach. He explained that the institutional teachers wage should be multiplied by 1.33, because it was computed on an academic year rather than a full year. This will put them in parity with other school systems of the state. He requested that the committee meet again on Monday, April 2, at 7:30 to have a working session on the bill.

The committee agreed to all meet back on Monday to discuss finalization of HB 891.

There not being anymore business, the meeting was adjourned at 9:30 p.m. by Chairman Himsl.

Sen. Ed Himsl
Chairman

Secretary

MINUTES OF THE MEETING
SELECT COMMITTEE ON EMPLOYEE COMPENSATION

7:30 P.M.
April 2, 1979
Room 104
Capitol Building

Acting Chairman Senator Himsl called the meeting to order at 7:35 P.M. All members were present. Chairman Himsl announced that the first part of the hearing would be a working session on HB 891, the state employees pay plan bill. He then introduced the sponsor of HB 891, Representative Carroll South.

Representative South stated that it would be best to work from the substitute bill which had been handed out on March 30, 1979. He stated that the first amendments that he would like to propose dealt with the institutional teachers pay plan (Exhibit II). He moved that these amendments to the substitute bill be adopted. This motion carried unanimously.

Representative South then stated that during the March 30, hearing of HB 891 the liquor store employees had not yet settled on their negotiations. They agreed to a 7% raise in the first year and a 6 1/2% increase the second year. He presented amendments to this end (Exhibit III). He moved that these amendments be adopted. This motion carried unanimously.

Another area which needs to be addressed, Representative South explained is on page 3 and 4 dealing with liquor store employees also. He presented amendments (Exhibit IV) which will make the language consistentwith pay schedules which include liquor store managers. Representative South moved these amendments and the motion carried unanimously.

Representative South then stated that he felt that Section 17 should be stricken from the substitute bill since its purpose is accomplished in several other areas of the bill. He then moved that this section be stricken from the substitute bill and that the subsequent section be renumbered. This motion carried unanimously.

Representative South then stated that he felt the state should continue with their composite approach to insurance coverage. He explained that after researching the matter, that 70% would benefit from this approach, and that the state must attempt to do the best job for the most people affected. Representative Gerke suggested that the state adopt a employee only approach to insurance coverage, and allow those employees who wanted to have their families covered could do so on an additional plan. Representative South stated that is similar to the two-tiered approach. Representative South then moved that the state retain the composite approach to insurance coverage. This motion carried unanimously.

Representative South, as a response from the Labor organizations, stated that he felt the meritorious clause should be stricken from the substitute bill. He said that most employees wanted a guaranteed or automatic step increase. To this end he moved that language be deleted from the bill which would require meritorious service for step increases rather than automatic. This motion carried with a 9 to 1 vote. Senator Lockrem was the dissenting vote.

Representative South stated that the removal of the meritorious clause was a compromise because he proposed to leave the bonus clause in. Senator Himsl stated that the bonus idea doesn't work well in the private sector and doubted that it would work in the state employee pay plan. Representative Tropila stated that it could be abused. Senator Lockrem moved that Section 7, the bonus clause, be stricken from the substitute bill. This motion carried with a 7 to 3 vote. Representatives Ellis and South and Senator Story were the dissenting votes.

Representative South then stated that he wished to amend Section 4 (4) (b) on page 5. He stated that "Rules and policies" on the first line should be striken and "Methods of Administration" should be inserted in its place. The reason for this he stated was because some concern was expressed about shift differentials not covered in the pay plan. This amendment would give flexibility to the Department of Administration. He then moved this amendment and it carried unanimously.

Another amendment Representative South proposed was in Section 4 (4) (b) on page 5 in the last line. He felt that "department" should be stricken from the bill. This motion carried unanimously.

The next amendment that he proposed was suggested by the Department of Personnel who have had problems getting medical doctors to work when they have to be included in the basic pay plan. The amendment allows the Department to set a separate pay schedule for them (Exhibit V). Representative South moved that this amendment be adopted. The motion carried unanimously.

The next set of amendments that Representative South proposed was all technical to correct language and references (Exhibit VI). He moved these amendments and they carried unanimously.

The next amendment he moved was found on page 10, Section 14, (1), following "Each agency" insert "as defined in 2-18-601, MCA,". This motion carried with a unanimous vote.

The next amendment he moved was found on page 10, Section 14, (2), which deals with permanent part-time employees. This amendment is to insert "are regularly scheduled to" following "Permanent part-time employees who", which cleans up the language in the bill. He moved that this amendment be adopted and the motion carried with a unanimous vote.

Representative South then stated that a decision would have to be reached as to the actual cost of this pay plan when it goes before the full Appropriations Committee. There is a difference of opinion from the Fiscal Analyst who claims it will cost $14.4 million and the Budget Director who claims it will cost $12.8 million, a differenc of $1.6 million.

Representative South then moved that the Committee give HB 891 as amended with the substitute bill a do pass recommendation. This motion carried unanimously. This bill in its final form is Exhibit VII.

Senator Himsl then opened the hearing on the elected officials bills, House Bills 211, 507, and 508. Representative Waldron, District 97, was introduced to present some material he and the Legislative Council had researched on elected officials salaries. The Salary Commission did an investigation on various states which were geographically and demographically the same to compare their salaries for elected officials. They assumed that these areas would be agriculturally based with low tax incomes. He passed out a handout which is a summary of the slide show he and Stan Zezotarski, Legislative Council researcher, gave (Exhibit VIII). Representative Waldron stated that he felt most elected officials in Montana are underpayed, especially legislators. Because of the low income for legislators, it is very discriminatory since it would only attract those to run who would not suffer from financial difficulties during their stay at the Legislature. The conclusion they (Waldron and Zezotarski) reached was to place legislators at a grade 10, step 5 and provide longevity for non-freshmen.

Representative Gerke moved that HB 508 be adopted. This motion carried unanimously.

Representative Gerke then moved that HB 507 be given a do pass recommendation. Senator Fasbender recommended that legislators be included in this bill. Mr. John LaFaver, the Fiscal Analyst, stated that he would draft an amendment to this end. Representative South moved that as amended HB 507 be given a do pass recommendation. This motion carried unanimously.

Representative South moved that HB 211 be tabled. This motion carried unanimously.

With no more business pending, the hearing was adjourned at 9:15 P.M.

Sen. Fred Himsl

Chairman

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HOUSE APPROPRIATIONS COMMITTEE 1979

Esther Bengtson

Howard Ellis

Pat Gesek

Bill Hand

Burt Hurwitz

Oscar Kvaalen

Art Lund

Richard Manning

Robert Marks

Rex Manuel

William Menahan

Jack Moore

Carroll South

Steve Waldron

Gene Wood

Dan Yardley

Francis Bardanouve, Chairman

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MINUTES OF THE MEETING
OF THE LEGISLATIVE APPROPRIATIONS COMMITTEE

April 5, 1979
9:00 a.m.
Room 104
State Capitol Building
Subject: HB 483
HB 891

The meeting was called to order by Chairman Francis Bardanouve at 9:00 a.m. All members were present except Representative Bengtson and Representative Marks who were excused.

Chairman Bardanouve opened the hearing on HB 483 by introducing John LaFaver, Legislative Fiscal Analyst.

Mr. LaFaver gave a report to the committee on what has happened to the bill in action taken by the Senate Finance and Claims Committee.

Bottom line coming from the Senate Finance and Claims is $453.6 million. The bottom line figure from the House Appropriations was $451.4 million. There was some money added in in the Senate Finance and Claims. Some amendments were made to correspond with other pieces of legislation that will pass or have passed and other changes were made because the Senate Finance and Claims thought a change ought to be made.

Mr. LaFaver commented briefly on the significant changes made.

The Finance and Claims amendment for other Education was slightly lower than the House Appropriations. The changes were wholly in the vo-tech centers. The amount goes back to the figure as it came from the House Appropriations at $7.4 million.

In Higher Education, the Finance and Claims added in a little over a half of a million. There are changes in several institutions and corresponding changes in the extension services. A few extension agents were added.

Changes for the University of Montana are still about $300,000 above this Committee's figures. Montana State University received an adjustment in operating expenses - a little recognition on the three year rolling average. Eastern is a bit higher because of the adjustment made to the student faculty ratio.

Representative Moore questioned the increase in the extension service. Mr. LaFaver commented that they added 4 extension agents.

One other amendment was made to Montana Tech. They added $240,000 to recognize that the three year rolling average was

stating that an amount was added to establish an administrative Health Insurance Program and general fund was increased to put the vo-tech centers on SBAS.

Within the Department of Justice, the Transportation of Prisoners was added to the Department. Postage costs were taken out. The cost for the Motor Vehicle Administrator was also taken out. There were a couple of other small items.

In the Department of Revenue, there was a $100,000 error which was a $100,000 savings to the general fund.

In Human Services, the only changes made were in SRS, $100,000 per year from the general fund was taken out which lowered the state contribution to the Legal Services effort. Approximately $400,000 was added back for reimbursements from the institutions.

The only amendment to the Natural Resources Department reflects the removing of the Forestry Task Force and putting it into the Legislative Council.

The amendment to the Department of Business Regulations was the subcommittee sponsored some legislation which took some earmarked revenue and put it into the general fund. This necessitates an added general fund appropriation.

The Public Service Commission, for the audit report, an amount was added so the $300,000 would be a separate line item for the audit.

The first amendment to the Department of Institutions was in the central office operation which was reduced $11,000. A small amount was taken out of start up funds for an emotionally disturbed children unit.

The Boulder River School and Hospital had $300,000 added for 12 FTE - therapy teacher-type staff. For the state hospital $40,000 was added for 2 1/2 therapists.

A large amendment was made to the Warm Springs State Hospital. In 1980, $363,000 was added and in 1981, $224,000 to cover holiday pay. Instead of coding overtime pay, they coded holiday pay which is different than other institutions. This ends up in a line item for holiday pay. The Legislature does not pay holiday pay and this needed to be corrected.

Each year, $9,000 was added to increase the cost for supplies.

Money for the copier machine was neglected to be put in to the Legislative Council's budget.

HB 891 - Pay Plan for State Employees

This bill was before the Select Committee on Employee Compensation

and was voted out.

The basic matrix is based on Warm Springs' settlement of $30 a month plus 3% plus 2%. The 2% would be added on the anniversary date.

The Blue Collar Plan is one that has been negotiated and the majority have settled with the Executive Branch. The increase would be 6% a year and 12% over the biennium. The Retail Clerks settled at 7% the first year and approximately 6% the second year. The liquor schedule is set at 7% the first year and 6 1/2% the second year. The teacher's schedule was brought up to 95% parity with the public school teachers in Miles City and Helena by the subcommittee on Institutions. The committee felt all teachers should be treated the same way.

To bring the teachers at Mountain View and Pinehills up to the 95% parity, $22,000 was put into the subcommittee on the Department of Institutions.

Basic matrixes for state employees are based on the Warm Springs settlement of $30 a month with 3% and 2% increases on anniversaries.

Representative Moore questioned in addition to insurance benefits going to $50 a month in 1980 and $60 a month in 1981 if these insurance costs come out of the $30 a month increase. The state insurance is in the matrix. Insurance will soon be paid for completely by the state.

Representative Hand asked if there was a good reason why the employees should not contribute to the insurance. South commented that part of the paying of insurance and the fringe benefits are beneficial to the state as well as the employees.

Representative South stated that after the Legislature goes home, there will be no deviation of the pay plan at all.

This matrix represents settlement of the majority of the employees who have bargained. It has to be this way in terms of salaries, that there be no adjustments.

Representative Moore asked for an explanation of the language on page 1. Representative South responded that the language reiterates the fact that the Legislature can do what it wants.

Another thing worth noting in the basic pay plan is the dropping of Step 1 down 5% below Step 2. Step 1 will be 95% of Step 2. The day an employee goes to Step 2 will be their anniversary date. After 6 months they will go to Step 2. This will benefit the state and the employee. There has been a high turnover.

An important provision is what will happen when a bargaining unit has not completely settled a contract as of July 1. The language

will retain the current salary level until time that they do settle. Retroactive payment becomes a negotiable item under HB 891.

Another provision allows no one's current wages to be reduced because of the drop of the Step 1.

An important item is the type of health insurance that will be provided which will be one composite plan - one plan for all state employees.

As of the first of July, the state will pay $50 and the following July, $60 for each employee. Under the composite plan employees will not receive the difference in the form of salaries. The funds will be put into the "pot" so the state can provide a better plan and better coverage for all employees whether they take out the insurance or not.

Representative South stated that HB 437 which is ready for the Governor to sign allows for the insurance to be put up for bid or allows for the State to be self-insuring. By being able to be self-insured, bidders rates can be reduced. Representative South commented that a reserve is not needed.

The language requires the Legislature to take action before the state could become self-insuring.

One other change would be in the Personnel Department, the doctors of the Department of Institutions would be excluded from the basic pay matrix. All totaled, 12 employees would be affected by this.

Another item in the basic matrix is that they flattened out Steps 21 and above. There is no increase at all. There is no one at these steps and instead of increasing them, it is better not having figures there with no one making the salaries.

When the bill was introduced, Representative South commented that a position would not automatically get a step increase without showing merit. This was stricken from the bill. One time bonus for an employee who shows exceptional performance at his job was also taken out.

Bill Gosnell, Administrator of the Personnel Department commented that he supported the bill in its form.

Mr. Gosnell stated that the pay plan has no incentive for employees except for them to show up for work. He would like language inserted which would allow management some flexibility to handle some problems not handled through the pay plan - recruiting problems, retention problems. The purpose of the rule is it makes Mr. Gosnell accountable for unusual problems that come up with the employees.

Representative South feels there is a problem in some circumstances

and feels the rule could be tried for 2 years and if abused it could be deleted.

Representative Moore commented on the statement of intent including the proposed rule by Mr. Gosnell and asked Mr. Gosnell if he would consider reducing the 5% of the eligible fulltime employees in an agency to 2%.

Mr. Gosnell commented that paragraph 5 in the proposed rule could be completely dropped.

Representative Waldron commented that we are dealing with people and people do not fit into neat little drawn up plans.

Mr. Gosnell stated that it was very negative to say only 5% of the workers would be eligible for raises because of outstanding work in the program.

John Fitzpatrick commented on dealing with the problem with trying to retain employees. He said sometimes management finds ways to solve these problems. Mr. Fitzpatrick commented that he is not convinced that giving Mr. Gosnell the flexibility will solve the problem entirely but it is a way which could help.

Tom Schneider, MPEA, stated that he was strongly in favor of the bill. He commented, however, the way it was in front of the committee was not the form it should be in.

The problem with the steps, Mr. Schneider commented, was that 100 people were against the rule, yet, the rule was put into affect. He said it has caused grievances where steps over and beyond what is in the pay plan were given. Mr. Schneider is totally against the rule.

Representative Moore and Representative Ellis discussed the one time bonus allowed by the bill in the Senate of $10,000 of general fund.

Representative South commented that in relation to the merit concept that equal pay for equal types of work did not essentially mean the same work being done.

Tom Schneider commented that the major concern is with one person getting steps or increases and others doing the same type of work not getting any increases. This causes problems.

Mr. Schneider stated that a plan should be developed for the people to see how it will work rather than giving authority for the program or funding the program.

Representative South brought up another subject which addresses the problem of the difference between the positions on the higher and lower end of the scale becoming smaller and smaller.

He said they cannot recruit technical people and retain them at Grade 14 and above. This matrix has an additional .5 increase for Grade 14 and above. There would be 1,900 people affected by this increase. It would cost $275,000 of general fund over the biennium at 1/2% each year and $442,000 of other funds.

Representative Bardanouve commented his concern was having all Indians and no Chiefs.

There is a dispute as to how much the pay plan will cost. The Budget Office estimates $12.8 million and the Fiscal Analyst estimates $14.4 million. The FA estimation includes overtime and longevity. The difference is $1.6 million between the Fiscal Analyst and the Budget Office.

Representative South stated he was convinced the $14 million would fund the pay plan with no problems. He questioned if they would be able to fund the $275,000 with the $14 million.

John LaFaver commented that the overtime and longevity was and has been included in the past. Mr. Gosnell commented it had not been budgeted in the pay plan.

There was discussion of the $14 million and the $275,000 being able to be absorbed within the $14 million. John LaFaver commented that there is always a margin of error in figures and felt it could probably be included. Representative South questioned this.

Representative South moved to increase the matrix at Grade 14 and above 1/2%. A roll call vote was taken. The motion carried.

After the motion made by Representative South to amend HB 891 carried, Representative Moore made a motion to adopt HB 891 as amended. A roll call vote was taken. The motion carried.

Representative Bardanouve expressed the thanks of the committee to Representative South and the members of his committee for the work they had done on the pay plan.

The meeting adjourned at 11:10 a.m.

Respectfully submitted,

FRANCIS BARDANOUVE, Chairman

Secretary by T/E

EIGHTIETH LEGISLATIVE DAY

Helena, Montana
April 7, 1979

House Chambers
Capitol Building

House convened at 11:00 a.m., Mr. Speaker in the Chair. Invocation by the Chaplain. Pledge of Allegiance to the Flag.

Roll call. All members present except Cooney, Fagg, Hemstad, Jensen, Kropp, Porter, H. Robbins, Scully, Thoft, Tropila, excused; Holmes, absent. Quorum present.

Mr. Speaker: We, your Committee on Legislative Administration/Bills and Journal, having examined the daily journal for the Seventy-sixth Legislative Day, find the same to be correct.

METCALF, Chairman

REPORTS OF STANDING COMMITTEES

BILLS (Metcalf, Chairman): 4/7/79

Signed by the Speaker on adjournment, 4/6/79 - HB 230, HB 570, HB 771, HB 785, HB 787, HB 859, SB 202, SB 232, SB 301, SB 390, SB 458, SJR 8.

Delivered to the Governor for his approval at 9:25 a.m., 4/7/79 - HB 197, HB 230, HB 244, HB 402, HB 411, HB 437, HB 494, HB 528, HB 570, HB 624, HB 704, HB 716, HB 733, HB 771, HB 785, HB 787, HB 788, HB 800, HB 803, HB 813, HB 853, HB 859, HB 860, HB 870, HB 887.

Do Pass

APPROPRIATIONS (Bardanouve, Chairman): 4/7/79

HB 507, introduced bill, be amended as follows:

1. Title, line 6.
Following: "AMENDING"
Strike: "SECTION"
Insert: "SECTIONS 5-2-301 AND"

2. Page 1, line 19.
Strike: "$39,600 $42,400"
Insert: "$39,000 $41,000"

3. Page 1, line 21.
Strike: "$38,500 $41,200"
Insert: "$38,000 $40,000"

4. Page 1, line 22.
Strike: "$34,800 $37,250"
Insert: "$34,500 $36,500"

5. Page 1, line 23.
Strike: "$24,000 $25,700"
Insert: "$24,500 $26,500"

6. Page 2, line 2.
Strike: "$24,000 $25,700"
Insert: "$24,500 $26,500"

7. Page 2, line 3.
Strike: "$21,875 $23,750"

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House resumed. Mr. Speaker in the Chair.

Mr. Speaker: We, your Committee of the Whole, having had under consideration business on Second Reading, recommend as follows:

Harrington moved that HR 4 be placed at the top of the board. Motion carried.

That HR 4 be adopted. (80-0)

That SB 76 be concurred in. (86-1)

That SB 492 be concurred in. (78-1)

That CC on SA to HB 442 be adopted. (69-12)

That Free CC on HB 682 be adopted. (78-1)

That CC on HA to SB 2 be adopted. (81-1)

That GA to SB 406 be adopted. (82-1)

That the Committee rise and report. (Johnson, Chairman). Johnson moved that the committee report be deemed read. Motion carried. Report adopted. (80-0)

REPORTS OF STANDING COMMITTEES

BILLS (Metcalf, Chairman): 4/7/79
Correctly printed - HB 386, HB 745, HJR 64.

Do Pass

APPROPRIATIONS (Bardanouve, Chairman): 4/6/79
HB 891, introduced bill, be amended as follows:

1. Pages 1 through 21.
Strike: everything after the enacting clause
Insert: "Section 1. Section 2-18-101, MCA, is amended to read:

'2-18-101. Definitions. As used in parts 1 through 3 of this chapter, the following definitions apply:

(1) "Agency" means a department, board, commission, office, bureau, institution, or unit of state government recognized in the state budget.

(2) "Compensation" means the annual or hourly wage or salary ~~plus~~ and includes the ~~annual~~ state contribution ~~of health insurance premiums~~ to group benefits under provisions of 2-18-703.

(3) "Department" means the department of administration.

(4) Except in 2-18-306, "employee" means any state employee other than an employee excepted under 2-18-103 from the statewide classification system.

(5) "Personal staff" means those positions occupied by employees appointed by the elected officials enumerated in 2-18-103(10).

(6) "Position" means a collection of duties and responsibilities currently assigned or delegated by competent authority, requiring the full-time, part-time, or intermittent employment of one person.

(7) "Program" means a combination of planned efforts to provide a service.'

Section 2. Section 2-18-106, MCA, is amended to read:

'2-18-106. No limitation on legislative authority. Parts 1, ~~and~~ 2, and 3 do not limit the authority of the legislature relative to appropriations for salary and wages. The budget director shall adjust his determinations in accordance with legislative appropriations.'

Section 3. Section 2-18-301, MCA, is amended to read:

'2-18-301. ~~Rules~~ Purpose and intent of part — rules. (1) The purpose of this part is to provide the compensation necessary to attract and retain competent and qualified employees in order to perform the services the state is required to provide to its citizens.

(2) It is the intent of the legislature that, for the biennium ending June 30, 1981, the:

(a) pay schedules provided for in 2-18-311, 2-18-312, [section 9], [section 10], and [section 11] supersede any other plan or systems established through collective bargaining after the adjournment of the 46th Legislature;

(b) pay levels provided for in 2-18-311, 2-18-312, [section 9], [section 10], and [section 11] may not be increased through collective bargaining after adjournment of the 46th Legislature; and

(c) total funds required to implement the pay schedules provided for in 2-18-311, 2-18-312, [section 9], [section 10], and [section 11] for any employee group or bargaining unit may not be increased through collective bargaining over the amount appropriated by the 46th Legislature.

(3) The department shall administer the pay program established by the legislature on the basis of merit, internal equity, and competitiveness to external labor markets when fiscally able.

(4) The department ~~of administration, subject to approval by the budget director,~~ may promulgate rules not inconsistent with the provisions of this part, collective bargaining statutes, or negotiated contracts to carry out the purposes of this part.'

Section 4. Section 2-18-303, MCA, is amended to read:

'2-18-303. Procedures for utilizing pay schedules. ~~(1) The pay matrix provided in 2-18-311 indicates the annual compensation for the fiscal year ending June 30, 1978, for each step and grade for positions classified under provisions of law. Except as provided in 2-18-307 for collective bargaining units, the compensation of each employee shall, on the first day of the first pay period in July, 1977, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1977. The employee will advance one step on the employee's anniversary date as determined by the department of administration. If the employee's anniversary date falls between (inclusive) July 1 and the first day of the first pay period of 1977, he or she will advance one step on the first day of that pay period.~~

~~(2) The pay matrix provided in 2-18-312 indicates the annual compensation for the fiscal year ending June 30, 1979, for each step and grade for positions classified under provisions of law. Except as provided in 2-18-307 for collective bargaining units, the compensation of each employee shall, on the first day of the first pay period in July, 1978, as determined by the budget director, be that amount~~

~~which corresponds to the grade and step occupied on June 30, 1978. The employee will advance one step on the employee's anniversary date as determined by the department of administration. If the employee's anniversary date falls between (inclusive) July 1 and the first day of the first pay period of 1978, he or she will advance one step on the first day of that pay period.~~ (1) The pay schedules provided in 2-18-311 and 2-18-312 shall be implemented as follows:

(a) The pay schedule provided in 2-18-311 indicates the annual compensation for the fiscal year ending June 30, 1980, for each grade and step for positions classified under the provisions of part 2 of this chapter.

(b) The pay schedule provided in 2-18-312 indicates the annual compensation for the fiscal year ending June 30, 1981, for each grade and step for positions classified under the provisions of part 2 of this chapter.

(c) Each new employee shall advance from step 1 to step 2 of a grade after successfully completing 6 months of probationary service. The anniversary date of an employee shall be established at the end of the probationary period in accordance with rules promulgated by the department.

(d) (i) The compensation of each employee on the first day of the first pay period in fiscal year 1980 shall be that amount which corresponds to the grade and step occupied on the last day of the preceding fiscal year of 1979.

(ii) The compensation of each employee on the first day of the first pay period in fiscal year 1981 shall be that amount which corresponds to the grade and step occupied on the last day of the fiscal year 1980.

(iii) In compliance with rules adopted to implement [this act], each employee is eligible on his anniversary date to advance one step in the pay matrix each fiscal year. However, if the employee's anniversary date falls between (inclusive) July 1 and the first day of the first pay period of fiscal year 1980 or 1981, as the case may be, he will advance one step on the first day of that pay period.

(2) The pay schedules provided in 2-18-311 and 2-18-312 and the provisions of subsection (1) of this section do not apply to those institutional teachers, liquor store occupations, or blue-collar occupations compensated under the pay schedules provided in [sections 9, 10, or 11 of this act].

(3) The pay schedules provided in [sections 9, 10, or 11 of this act] shall be implemented as follows:

(a) (i) The pay schedules provided in [section 9 of this act] indicate the annual compensation for the contracted school term for teachers employed by institutions under the authority of the department of institutions for fiscal years 1980 and 1981.

(ii) The compensation of each teacher on the first day of the first pay period in July 1980 shall be that amount which corresponds to his level of academic achievement and the next highest grade from that occupied on June 30, 1979.

(iii) The compensation of each teacher on the first day of the first pay period in July 1981 shall be that amount which corresponds to

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his level of achievement and the next highest grade from that occupied on June 30, 1980.

(b) (i) The pay schedules provided in [section 10 of this act] indicate the maximum hourly compensation for fiscal years ending June 30, 1980, and June 30, 1981, for those employees in liquor store occupations who have collectively bargained separate classification and pay plans.

(ii) The compensation of each employee on the first day of the first pay period in fiscal year 1980 or 1981, as the case may be, shall be that amount which corresponds to that grade occupied on the last day of the preceding fiscal year.

(c) (i) The pay schedules provided in [section 11 of this act] indicate the maximum hourly compensation for fiscal years ending June 30, 1980, and June 30, 1981, for employees in apprentice trades and crafts and other blue-collar occupations recognized in the state blue-collar classification plan who are members of units that have collectively bargained separate classification and pay plans.

(ii) The compensation of each employee on the first day of the first pay period in fiscal year 1980 or 1981, as the case may be, shall be that amount which corresponds to that grade occupied on the last day of the preceding fiscal year.

(4) (a) (i) No member of a bargaining unit may receive the amounts indicated in the respective pay schedules provided in 2-18-311, 2-18-312, or [sections 9, 10, or 11 of this act] until the bargaining unit of which he is a member ratifies a completely integrated collective bargaining agreement covering the biennium ending June 30, 1981.

(ii) In the event that negotiation and ratification of a completely integrated collective bargaining agreement as required by subsection (4)(a)(i) of this section are not completed by July 1, 1979, retroactivity to that date may be negotiated.

(iii) In the event that negotiation and ratification of a completely integrated collective bargaining agreement as required by subsection (4)(a)(i) of this section are not completed by July 1, 1979, members of the bargaining unit involved will continue to receive the compensation they were receiving as of June 30, 1979.

(b) Methods of administration not inconsistent with the purpose of [this act] and necessary to properly implement the pay schedules provided in [sections 9, 10, or 11 of this act] may be provided for in collective bargaining agreements.

(5) The current wage or salary of an employee shall not be reduced by the implementation of the pay schedules provided for in 2-18-311, 2-18-312, or [sections 9, 10, or 11 of this act].

(6) The department may authorize a separate pay schedule for medical doctors if the rates provided in 2-18-311 and 2-18-312 are not sufficient to attract and retain fully licensed and qualified physicians at the state institutions.'

Section 5. Section 2-18-304, MCA, is amended to read:

'2-18-304. Longevity allowance. In addition to the compensation ~~determined~~ provided for in 2-18-311, ~~and~~ 2-18-312, [section 9 of this act], [section 10 of this act], or [section 11 of this act], each

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employee who has completed ~~at least~~ 5 years of uninterrupted state service shall receive ~~the amount obtained by multiplying~~ the larger of $10 a month or 10% of the difference between the base compensation for his grade and step (where applicable) and the base compensation for the next highest grade and corresponding step (where applicable) ~~in the next highest grade~~ multiplied by the number of completed, contiguous 5-year periods of uninterrupted state service ~~he has with the state~~. Service to the state ~~may~~ is not ~~be considered to have been~~ interrupted by authorized leaves of absence.'

Section 6. Section 2-18-305, MCA, is amended to read:

'2-18-305. Allocation between wages and ~~health insurance~~ group benefits. (1) The dollar amounts shown in the respective ~~matrices~~ pay schedules provided in 2-18-311, ~~and~~ 2-18-312, [section 9 of this act], [section 10 of this act], or [section 11 of this act], as the case may be, represent the maximum amount allocated by the state for wages and ~~health insurance~~ group benefits, exclusive of longevity as defined in 2-18-304. Except as provided in subsection (2) of this section, that amount specifically allocated for ~~health insurance~~ group benefits shall be determined by 2-18-703. An employee who elects not to be covered by a state ~~health insurance~~ employee group benefit plan will receive as wages the amount shown in the appropriate ~~matrix~~ pay schedule less the state contribution for ~~health insurance~~ group benefits as determined by 2-18-703.

(2) Employees may, through collective bargaining, determine the allocation of the amounts shown in the ~~matrices of~~ pay schedules provided in 2-18-311, ~~and~~ 2-18-312, [section 9 of this act], [section 10 of this act], or [section 11 of this act], as the case may be, between wages and ~~health insurance~~ group benefits, except that in no case may the ~~health insurance~~ group benefits allocation be less than the amounts provided in 2-18-703.'

Section 7. Section 2-18-311, MCA, is amended to read:

'2-18-311. Pay ~~matrix~~ schedule for ~~first~~ fiscal year 1980.' (see attachments 1 and 2)

Section 8. Section 2-18-312, MCA, is amended to read:

'2-18-312. Pay ~~matrix~~ schedule for ~~second~~ fiscal year 1981.' (see attachments 3 and 4)

NEW SECTION. Section 9. Pay schedules for institutional teachers.

(1) Teacher pay schedule for fiscal year 1980:

Experience (Grade)	BA (Step 1)	BA+1qtr. (Step 2)	BA+2qtr. (Step 3)	5th Year (Step 4)	MA (Step 5)	MA+1qtr. (Step 6)
0	10,250	10,577	10,915	11,079	11,243	11,582
1	10,635	11,001	11,368	11,456	11,735	12,102
2	11,021	11,427	11,822	12,025	12,227	12,624
3	11,407	11,851	12,275	12,498	12,719	13,145
4	11,793	12,275	12,729	12,971	13,211	13,665
5	12,179	12,700	13,183	13,444	13,703	14,187
6	12,564	13,124	13,637	13,915	14,195	14,708
7	12,950	13,550	14,089	14,388	14,687	15,229
8	13,336	13,974	14,543	14,861	15,181	15,750
9	13,724	14,399	14,997	15,335	15,673	16,271

(2) Teacher pay schedule for fiscal year 1981:

Experience (Grade)	BA (Step 1)	BA+1qtr. (Step 2)	BA+2qtr. (Step 3)	5th Year (Step 4)	MA (Step 5)	MA+1qtr. (Step 6)
0	11,070	11,420	11,783	11,959	12,135	12,498
1	11,483	11,875	12,269	12,363	12,662	13,056
2	11,897	12,332	12,756	12,973	13,190	13,616
3	12,311	12,787	13,241	13,481	13,718	14,175
4	12,724	13,241	13,728	13,988	14,245	14,732
5	13,138	13,697	14,215	14,495	14,773	15,292
6	13,551	14,152	14,702	15,000	15,301	15,851
7	13,965	14,609	15,187	15,508	15,828	16,410
8	14,379	15,064	15,674	16,015	16,358	16,968
9	14,795	15,519	16,161	16,523	16,886	17,527
10	15,208	15,974	16,705	17,031	17,413	18,086

NEW SECTION. Section 10. Pay schedules for liquor store occupations. (1) Liquor store pay schedule for fiscal year 1980:

Grade	$/Hour
L1	4.533
L2	4.893
L3	5.263
L4	5.468
L5	5.683
L6	6.133
L7	6.623
L8	7.173

(2) Liquor store pay schedule for fiscal year 1981:

Grade	$/Hour
L1	4.893
L2	5.253
L3	5.623
L4	5.828
L5	6.043
L6	6.493
L7	6.983
L8	7.533

NEW SECTION. Section 11. Pay schedules for blue-collar occupations. (1) Blue-collar pay schedule for fiscal year 1980:

Grade	$/Hour
B1	5.036
B2	5.364
B3	5.692
B4	6.020
B5	6.348
B6	6.676
B7	7.004
B8	7.332
B9	7.660
B10	7.988
B11	8.316
B12	8.644
B00**	8.972

(2) Blue-collar pay schedule for fiscal year 1981:

Grade	$/Hour
B1	5.332
B2	5.660
B3	5.988
B4	6.316
B5	6.644
B6	6.972
B7	7.300
B8	7.628
B9	7.956
B10	8.284
B11	8.612
B12	8.940
B00**	9.268

(3) In recognition that the blue-collar employee classes in the university system have been paid at rates higher than employees in the blue-collar classes in the executive branch, it is the intent of the legislature during the next biennium that the board of regents seek wage settlements which reduce the current wage disparities or provide wages equal to those of employees in the executive branch.

Section 12. Section 2-18-701, MCA, is amended to read:

'2-18-701. Definitions. In this part, as it applies to a person employed in the executive, judicial, or legislative branches of state government, "employee" means:

(1) a permanent full-time employee defined in 2-18-601;

~~(2) a part-time employee defined in 2-18-601 who is scheduled to work at least 20 hours per week;~~

~~(3) a person employed in a seasonal position defined in 2-18-601 who is employed on a regular basis at least 8 months of the fiscal year.~~

(2) a part-time permanent employee, as defined in 2-18-601, who is scheduled to work a regular schedule of 20 hours or more a week;

(3) a seasonal employee, as defined in 2-18-601, who is scheduled to work 6 months or more a year;

(4) elected officials;

(5) officers and employees of the legislative branch;

(6) judges and employees of the judicial branch; and

(7) academic, professional, and administrative personnel having individual contracts under the authority of the board of regents of higher education or the state board of public education.'

Section 13. Section 2-18-703, MCA, is amended to read:

'2-18-703. Contributions. (1) ~~The respective administrative and governing bodies~~ Each agency as defined in 2-18-601 shall contribute the amount specified in this section towards the ~~insurance premium:~~ group benefits cost.

~~(1)~~(2) For employees defined in 2-18-701 other than members of collective bargaining units, and for members of the legislature, the employer contribution for ~~insurance~~ group benefits shall be ~~$240~~ $50 per ~~year~~ month for the fiscal year ending June 30, ~~1978~~ 1980, and ~~$360~~ $60 per ~~year~~ month for each fiscal year thereafter. ~~The~~

~~employer shall prorate this amount for employees who work less than 2,080 hours per year.~~ Permanent part-time employees who are regularly scheduled to work less than 20 hours a week are not eligible for the group benefit contribution. An employee who elects not to be covered by a state-sponsored group benefit plan may not receive the state contribution as wages.

~~(2) For state employee members of a collective bargaining unit, the employer shall pay the amount negotiated with the collective bargaining unit.~~

(3) For employees of elementary and high school districts and of local government units, the employer's premium contributions may exceed but ~~shall~~ may not be less than $10 per month.

(4) Unused employer contributions for any state employee shall be transferred to an account established for this purpose by the department and upon such transfer may be used to offset losses occurring to the group of which the employee is eligible to be a member.'

Section 14. Appropriation. There is appropriated to the Office of Budget and Program Planning $4,509,410 for the fiscal year ending June 30, 1980, and $9,490,590 for the fiscal year ending June 30, 1981, from the general fund to carry out the provisions of this act as it pertains to executive branch agencies not including units of the university system, vocational-technical centers, and community colleges. The Office of Budget and Program Planning is authorized to increase the expenditure authority of executive branch agencies, not including units of the university system, vocational-technical centers, and community colleges, by $5,981,022 for the fiscal year ending June 30, 1980, and $12,888,269 for the fiscal year ending June 30, 1981, from funds other than the general fund which accrue under provision of law to the respective agencies to carry out the provisions of this act.

Section 15. Reversion of funds. Appropriated funds not spent at the end of the fiscal year shall revert to the fund from which appropriated.

Section 16. Codification. The code commissioner shall codify sections 9, 10, and 11 of this act in Title 2, chapter 18, part 3, and preferably shall codify them as 2-18-313, 2-18-314, and 2-18-315, respectively.

Section 17. Repealer. Section 2-18-307, MCA, is repealed."

And as amended, do pass. Report adopted.

SB 164, be concurred in. Report adopted. 4/7/79

TAXATION (Huennekens, Chairman): 4/7/79
HJR 66, do pass. Report adopted.
SB 234, be concurred in. Report adopted.
SB 235, be concurred in. Report adopted.

Adverse Committee Reports

APPROPRIATIONS (Bardanouve, Chairman): 4/7/79
SB 286, be not concurred in.

Yardley, Manning, Pavlovich, Magone, Rosenthal, Dassinger, Pistoria, Gesek, Kemmis, Reichert objected that SB 286 was reported out of committee with a be not concurred in recommendation and requested that the bill be referred to Second Reading.

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EIGHTY-SECOND LEGISLATIVE DAY

Helena, Montana
April 10, 1979

House Chambers
Capitol Building

House convened at 1:30 p.m., Mr. Speaker in the Chair. Invocation by the Chaplain. Pledge of Allegiance to the Flag.

Roll call. All members present except Gould, Oberg, O'Connell, excused. Quorum present.

Mr. Speaker: We, your Committee on Legislative Administration/Bills and Journal, having examined the daily journal for the Seventy-eighth Legislative Day, find the same to be correct.

METCALF, Chairman

REPORTS OF STANDING COMMITTEES

BILLS (Metcalf, Chairman): 4/10/79
Correctly printed - HJR 65.
Considered correctly engrossed - HB 386, HB 745.

Signed by the Speaker on adjournment, 4/9/79 - HB 181, HB 191, HB 334, HB 471, HB 489, HB 608, HB 702, HB 898, HR 4, SB 65, SB 265, SB 435, SB 477, SB 504.

Delivered to the Governor for his approval at 11:20 a.m., 4/10/79 - HB 181, HB 191, HB 334, HB 471, HB 489, HB 608, HB 702, HB 898.

Do Pass

STATE ADMINISTRATION (Brand, Chairman): 4/10/79
HJR 68, do pass. Report adopted.

MESSAGES FROM THE GOVERNOR

The Honorable Harold Gerke 4/9/79
Speaker, House of Representatives
State Capitol
Helena, Montana 59601

Dear Mr. Speaker:

This is to inform you that I have signed the following measures this date:

House Bill Nos. 14, 24, 57, 77, 82, 100, 112, 124, 176, 196, 259, 260, 283, 295, 298, 302, 329, 342, 350, 363, 371, 420, 424, 438, 453, 454, 456, 460, 487, 488, 490, 521, 532, 556, 566, 571, 579, 585, 596, 597, 603, 606, 620, 621, 688, 699, 712, 713, 718, 749, 751, 797, 819, 836, 850, 864, and 886.

Sincerely,

Thomas L. Judge
Governor

The Honorable William Mathers 4/9/79
President of the Senate
State Capitol
Helena, Montana 59601

The Honorable Harold Gerke

Absent or not voting: Ellerd, Fagg, Keedy, Kvaalen, Marks, Sivertsen. Total 6

SECOND READING OF BILLS (COMMITTEE OF THE WHOLE)

Dussault moved that the House resolve itself into a Committee of the Whole, for the consideration of business on Second Reading. Motion carried.

Tropila in the Chair. Committee arose.

House resumed. Mr. Speaker in the Chair.

Mr. Speaker: We, your Committee of the Whole, having had under consideration business on Second Reading, recommend as follows:

Teague moved that HB 507 be placed at the bottom of the Second Reading board this day. Motion carried. (45-42)

That HB 508 do pass. (68-23)

That HB 891, second reading copy, be amended as follows: (83-0)

1. Page 12.
Strike: "HOUSE BILL 891 + .5% (14-)"

2. Page 13.
Strike: "1978-1979 STATE ANNUAL SALARY MATRIX"

3. Page 14.
Strike: "HOUSE BILL 891 + .5% (14-) 1980-1981 STATE ANNUAL SALARY MATRIX"
Strike: "NOTE:
INCLUDES INSURANCE"

And as amended, do pass. (81-9)

That HJR 66 do pass. (83-5)

Teague moved that SB 50 and SB 177 be placed at the bottom of the Second Reading board this day. Motion carried.

That SB 325 do pass. (86-1)

Huennekens moved that SB 351 be placed at the bottom of the Second Reading board this day. Motion carried.

Ramirez moved that SB 463 pass consideration for the day. Motion carried.

Kemmis moved that CC on SA to HB 475 be placed at the bottom of the Second Reading board this day. Motion carried.

That Free CC on HB 768 be rejected. (77-2)

That Free CC on HB 900 be adopted. (83-1)

Burnett moved that HB 507 be placed at the bottom of the Second Reading board this day. Motion carried.

That SB 50 be concurred in. (82-0)

That SB 177 be concurred in. (84-0)

That SB 351 be concurred in. (67-15)

42

HOUSE BILL NO. 891

INTRODUCED BY SOUTH, GERKE, DUSSAULT, VINCENT, RAMIREZ

A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH STATE EMPLOYEE COMPENSATION AND PROVIDE PAY SCHEDULES FOR FISCAL YEARS 1980 AND 1981; APPROPRIATING FUNDS THEREFOR; AMENDING SECTIONS 2-18-101, 2-18-106, 2-18-301, 2-18-303, 2-18-304, 2-18-305, 2-18-311, 2-18-312, 2-18-701, AND 2-18-703, MCA; AND REPEALING SECTION 2-18-307, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Refer to Introduced Bill

(Strike everything after the enacting clause and insert:)

Section 1. Section 2-18-101, MCA, is amended to read:

"2-18-101. Definitions. As used in parts 1 through 3 of this chapter, the following definitions apply:

(1) "Agency" means a department, board, commission, office, bureau, institution, or unit of state government recognized in the state budget.

(2) "Compensation" means the annual or hourly wage or salary ~~plus~~ and includes the ~~annual~~ state contribution of ~~health insurance premiums~~ to group benefits under provisions of 2-18-703.

(3) "Department" means the department of administration.

(4) Except in 2-18-306, "employee" means any state employee other than an employee excepted under 2-18-103 from the statewide classification system.

(5) "Personal staff" means those positions occupied by employees appointed by the elected officials enumerated in 2-18-103(10).

(6) "Position" means a collection of duties and responsibilities currently assigned or delegated by competent authority, requiring the full-time, part-time, or intermittent employment of one person.

(7) "Program" means a combination of planned efforts to provide a service."

Section 2. Section 2-18-106, MCA, is amended to read:

"2-18-106. No limitation on legislative authority. Parts 1, and 2, and 3 do not limit the authority of the legislature relative to appropriations for salary and wages. The budget director shall adjust his determinations in accordance with legislative appropriations."

Section 3. Section 2-18-301, MCA, is amended to read:

"2-18-301. ~~Rules~~ Purpose and intent of part -- rules. (1) The purpose of this part is to provide the compensation necessary to attract and retain competent and qualified employees in order to perform the services the state is required to provide to its citizens.

(2) It is the intent of the legislature that, for the

THIRD READING

biennium ending June 30, 1981, the:

(a) pay schedules provided for in 2-18-311, 2-18-312, [section 9], [section 10], and [section 11] supersede any other plan or systems established through collective bargaining after the adjournment of the 46th Legislature;

(b) pay levels provided for in 2-18-311, 2-18-312, [section 9], [section 10], and [section 11] may not be increased through collective bargaining after adjournment of the 46th Legislature; and

(c) total funds required to implement the pay schedules provided for in 2-18-311, 2-18-312, [section 9], [section 10], and [section 11] for any employee group or bargaining unit may not be increased through collective bargaining over the amount appropriated by the 46th Legislature.

(3) The department shall administer the pay program established by the legislature on the basis of merit, internal equity, and competitiveness to external labor markets when fiscally able.

(4) The department ~~of administration, subject to approval by the budget director,~~ may promulgate rules not inconsistent with the provisions of this part, collective bargaining statutes, or negotiated contracts to carry out the purposes of this part."

Section 4. Section 2-18-303, MCA, is amended to read:

"2-18-303. Procedures for utilizing pay schedules. ~~(1) The pay matrix provided in 2-18-311 indicates the annual compensation for the fiscal year ending June 30, 1978, for each step and grade for positions classified under provisions of laws. Except as provided in 2-18-307 for collective bargaining units, the compensation of each employee shall, on the first day of the first pay period in July, 1977, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1977. The employee will advance one step on the employee's anniversary date as determined by the department of administration. If the employee's anniversary date falls between (inclusive) July 1 and the first day of the first pay period of 1977, he or she will advance one step on the first day of that pay period.~~

~~(2) The pay matrix provided in 2-18-312 indicates the annual compensation for the fiscal year ending June 30, 1979, for each step and grade for positions classified under provisions of laws. Except as provided in 2-18-307 for collective bargaining units, the compensation of each employee shall, on the first day of the first pay period in July, 1978, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1978. The employee will advance one step on the employee's anniversary date as determined by the department~~

~~of-administration.-If-the-employee's-anniversary-date--falls between--(inclusive)--July--1-and-the-first-day-of-the-first pay-period-of-1978,-he-or-she-will-advance-one-step--on--the first-day-of-that-pay-period.~~ (1) The pay schedules provided in 2-18-311 and 2-18-312 shall be implemented as follows:

(a) The pay schedule provided in 2-18-311 indicates the annual compensation for the fiscal year ending June 30, 1980, for each grade and step for positions classified under the provisions of part 2 of this chapter.

(b) The pay schedule provided in 2-18-312 indicates the annual compensation for the fiscal year ending June 30, 1981, for each grade and step for positions classified under the provisions of part 2 of this chapter.

(c) Each new employee shall advance from step 1 to step 2 of a grade after successfully completing 6 months of probationary service. The anniversary date of an employee shall be established at the end of the probationary period in accordance with rules promulgated by the department.

(d) (i) The compensation of each employee on the first day of the first pay period in fiscal year 1980 shall be that amount which corresponds to the grade and step occupied on the last day of the preceding fiscal year of 1979.

(ii) The compensation of each employee on the first day of the first pay period in fiscal year 1981 shall be that amount which corresponds to the grade and step occupied on

the last day of the fiscal year 1980.

(iii) In compliance with rules adopted to implement [this act], each employee is eligible on his anniversary date to advance one step in the pay matrix each fiscal year. However, if the employee's anniversary date falls between (inclusive) July 1 and the first day of the first pay period of fiscal year 1980 or 1981, as the case may be, he will advance one step on the first day of that pay period.

(2) The pay schedules provided in 2-18-311 and 2-18-312 and the provisions of subsection (1) of this section do not apply to those institutional teachers, liquor store occupations, or blue-collar occupations compensated under the pay schedules provided in [sections 9, 10, or 11 of this act].

(3) The pay schedules provided in [sections 9, 10, or 11 of this act] shall be implemented as follows:

(a) (i) The pay schedules provided in [section 9 of this act] indicate the annual compensation for the contracted school term for teachers employed by institutions under the authority of the department of institutions for fiscal years 1980 and 1981.

(ii) The compensation of each teacher on the first day of the first pay period in July 1980 shall be that amount which corresponds to his level of academic achievement and the next highest grade from that occupied on June 30, 1979,

(iii) The compensation of each teacher on the first day of the first pay period in July 1981 shall be that amount which corresponds to his level of achievement and the next highest grade from that occupied on June 30, 1980.

(b) (i) The pay schedules provided in [section 10 of this act] indicate the maximum hourly compensation for fiscal years ending June 30, 1980, and June 30, 1981, for those employees in liquor store occupations who have collectively bargained separate classification and pay plans.

(ii) The compensation of each employee on the first day of the first pay period in fiscal year 1980 or 1981, as the case may be, shall be that amount which corresponds to that grade occupied on the last day of the preceding fiscal year.

(c) (i) The pay schedules provided in [section 11 of this act] indicate the maximum hourly compensation for fiscal years ending June 30, 1980, and June 30, 1981, for employees in apprentice trades and crafts and other blue-collar occupations recognized in the state blue-collar classification plan who are members of units that have collectively bargained separate classification and pay plans.

(ii) The compensation of each employee on the first day of the first pay period in fiscal year 1980 or 1981, as the case may be, shall be that amount which corresponds to that

grade occupied on the last day of the preceding fiscal year.

(4) (a) (i) No member of a bargaining unit may receive the amounts indicated in the respective pay schedules provided in 2-18-311, 2-18-312, or [sections 9, 10, or 11 of this act] until the bargaining unit of which he is a member ratifies a completely integrated collective bargaining agreement covering the biennium ending June 30, 1981.

(ii) In the event that negotiation and ratification of a completely integrated collective bargaining agreement as required by subsection (4)(a)(i) of this section are not completed by July 1, 1979, retroactivity to that date may be negotiated.

(iii) In the event that negotiation and ratification of a completely integrated collective bargaining agreement as required by subsection (4)(a)(i) of this section are not completed by July 1, 1979, members of the bargaining unit involved will continue to receive the compensation they were receiving as of June 30, 1979.

(b) Methods of administration not inconsistent with the purpose of [this act] and necessary to properly implement the pay schedules provided in [sections 9, 10, or 11 of this act] may be provided for in collective bargaining agreements.

(5) The current wage or salary of an employee shall not be reduced by the implementation of the pay schedules

provided for in 2-18-311, 2-18-312, or [sections 9, 10, or 11 of this act].

(6) The department may authorize a separate pay schedule for medical doctors if the rates provided in 2-18-311 and 2-18-312 are not sufficient to attract and retain fully licensed and qualified physicians at the state institutions."

Section 5. Section 2-18-304, MCA, is amended to read:

"2-18-304. Longevity allowance. In addition to the compensation ~~determined~~ provided for in 2-18-311, ~~and~~ 2-18-312, [section 9 of this act], [section 10 of this act], or [section 11 of this act], each employee who has completed ~~at least~~ 5 years of uninterrupted state service shall receive ~~the amount obtained by multiplying~~ the larger of $10 a month or 10% of the difference between the base compensation for his grade and step [where applicable] and the base compensation for the next highest grade and corresponding step [where applicable] ~~in the next highest~~ grade multiplied by the number of completed, contiguous 5-year periods of uninterrupted state service ~~he has with the state~~. Service to the state ~~may~~ is not ~~be considered to have been~~ interrupted by authorized leaves of absence."

Section 6. Section 2-18-305, MCA, is amended to read:

"2-18-305. Allocation between wages and ~~health insurance~~ group benefits. (1) The dollar amounts shown in

the respective ~~matrices~~ pay schedules provided in 2-18-311, ~~and~~ 2-18-312, [section 9 of this act], [section 10 of this act], or [section 11 of this act], as the case may be, represent the maximum amount allocated by the state for wages and ~~health insurance~~ group benefits, exclusive of longevity as defined in 2-18-304. Except as provided in subsection (2) of this section, that amount specifically allocated for ~~health insurance~~ group benefits shall be determined by 2-18-703. An employee who elects not to be covered by a state ~~health insurance~~ employee group benefit plan will receive as wages the amount shown in the appropriate ~~matrix~~ pay schedule less the state contribution for ~~health insurance~~ group benefits as determined by 2-18-703.

(2) Employees may, through collective bargaining, determine the allocation of the amounts shown in the ~~matrices of~~ pay schedules provided in 2-18-311, ~~and~~ 2-18-312, [section 9 of this act], [section 10 of this act], or [section 11 of this act], as the case may be, between wages and ~~health insurance~~ group benefits, except that in no case may the ~~health insurance~~ group benefits allocation be less than the amounts provided in 2-18-703."

Section 7. Section 2-18-311, MCA, is amended to read:

"2-18-311. Pay ~~matrix~~ schedule for ~~first~~ fiscal year 1980.

GRD	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09	STEP 10	STEP 11	STEP 12	STEP 13
1	5,892	6,186	6,310	6,436	6,565	6,696	6,830	6,967	7,106	7,248	7,393	7,541	7,692
2	6,313	6,629	6,762	6,897	7,035	7,176	7,320	7,466	7,615	7,767	7,922	8,080	8,242
3	6,774	7,112	7,254	7,399	7,547	7,698	7,852	8,009	8,169	8,332	8,499	8,669	8,842
4	7,274	7,638	7,791	7,947	8,106	8,268	8,433	8,602	8,774	8,949	9,128	9,311	9,497
5	7,828	8,219	8,383	8,551	8,722	8,896	9,074	9,255	9,440	9,629	9,822	10,018	10,218
6	8,433	8,855	9,032	9,213	9,397	9,585	9,777	9,973	10,172	10,375	10,583	10,795	11,011
7	9,104	9,559	9,750	9,945	10,144	10,347	10,554	10,765	10,980	11,200	11,424	11,652	11,885
8	9,829	10,320	10,526	10,737	10,952	11,171	11,394	11,622	11,854	12,091	12,333	12,580	12,832
9	10,632	11,164	11,387	11,615	11,847	12,084	12,326	12,573	12,824	13,080	13,342	13,609	13,881
10	11,513	12,089	12,331	12,578	12,830	13,087	13,349	13,616	13,888	14,166	14,449	14,738	15,033
11	12,474	13,098	13,360	13,627	13,900	14,178	14,462	14,751	15,046	15,347	15,654	15,967	16,286
12	13,541	14,218	14,502	14,792	15,088	15,390	15,698	16,012	16,332	16,659	16,992	17,332	17,679
13	14,699	15,434	15,743	16,058	16,379	16,707	17,041	17,382	17,730	18,085	18,447	18,816	19,192
14	16,043	16,845	17,181	17,525	17,876	18,234	18,599	18,970	19,350	19,737	20,132	20,535	20,946
15	17,445	18,317	18,684	19,058	19,439	19,828	20,225	20,629	21,042	21,463	21,892	22,330	22,776
16	18,993	19,942	20,341	20,748	21,163	21,586	22,019	22,459	22,908	23,366	23,834	24,310	24,796
17	20,674	21,708	22,142	22,585	23,037	23,497	23,967	24,447	24,936	25,435	25,943	26,462	26,991
18	22,525	23,652	24,125	24,607	25,100	25,602	26,115	26,638	27,170	27,714	28,269	28,834	29,411
19	24,564	25,792	26,308	26,835	27,371	27,919	28,478	29,048	29,628	30,221	30,825	31,441	31,441
20	26,787	28,127	28,690	29,264	29,849	30,445	31,055	31,676	32,309	32,955	33,614	33,614	33,614
21	29,235	30,697	31,311	31,937	32,576	33,227	33,892	34,569	35,260	35,966	35,966	35,966	35,966
22	31,920	33,516	34,186	34,869	35,567	36,278	37,004	37,744	38,499	38,499	38,499	38,499	38,499
23	34,857	36,600	37,332	38,078	38,840	39,617	40,409	41,217	41,217	41,217	41,217	41,217	41,217
24	38,086	39,990	40,790	41,606	42,438	43,287	44,153	44,153	44,153	44,153	44,153	44,153	44,153
25	41,631	43,713	44,588	45,479	46,389	47,316	47,316	47,316	47,316	47,316	47,316	47,316	47,316

GRD	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09	STEP 10	STEP 11	STEP 12	STEP 13
1			5,206	5,323	5,410	5,498	5,611	5,725	5,846	5,968	6,047	6,138	6,209
2	5,377	5,498	5,611	5,725	5,846	5,968	6,094	6,222	6,349	6,477	6,564	6,651	6,758
3	5,834	5,968	6,094	6,222	6,349	6,477	6,617	6,759	6,900	7,041	7,133	7,228	7,329
4	6,334	6,477	6,617	6,757	6,900	7,041	7,189	7,336	7,497	7,658	7,766	7,872	7,980
5	6,885	7,041	7,189	7,336	7,497	7,658	7,826	7,994	8,168	8,342	8,457	8,570	8,691
6	7,488	7,658	7,826	7,994	8,168	8,342	8,523	8,706	8,893	9,081	9,208	9,336	9,467
7	8,156	8,342	8,523	8,706	8,893	9,081	9,282	9,483	9,691	9,900	10,040	10,181	10,322
8	8,878	9,081	9,282	9,485	9,691	9,900	10,121	10,342	10,570	10,798	10,953	11,108	11,261
9	9,670	9,900	10,121	10,342	10,570	10,798	11,040	11,282	11,530	11,778	11,946	12,114	12,289
9.5	10,117	10,349	10,580	10,812	11,050	11,289	11,540	11,792	12,057	12,321	12,496	12,670	12,885
10	10,556	10,798	11,040	11,282	11,530	11,778	12,040	12,302	12,583	12,865	13,046	13,227	13,416
10.5	11,037	11,291	11,540	11,793	12,057	12,321	12,598	12,875	13,168	13,459	13,650	13,839	14,037
11	11,513	11,778	12,040	12,302	12,583	12,865	13,153	13,442	13,744	14,046	14,248	14,449	14,657
11.5	12,044	12,321	12,598	12,875	13,165	13,459	13,768	14,060	14,376	14,691	14,904	15,115	15,334
12	12,575	12,865	13,153	13,442	13,744	14,046	14,361	14,677	15,006	15,336	15,557	15,778	16,006
12.5	13,155	13,459	13,768	14,060	14,376	14,691	15,023	15,367	15,700	16,047	16,277	16,509	16,745
13	13,729	14,046	14,361	14,677	15,006	15,336	15,684	16,033	16,395	16,767	16,999	17,240	17,487
14	14,988	15,336	15,670	16,006	16,342	16,676	17,042	17,398	17,684	18,019	18,266	18,690	18,957
15	16,370	16,757	17,093	17,427	17,764	18,099	18,435	18,770	19,106	19,442	19,777	20,112	20,280
16	17,912	18,327	18,663	18,999	19,334	19,670	20,005	20,341	20,676	21,012	21,348	21,682	21,850
17	19,578	20,032	20,367	20,705	21,039	21,374	21,710	22,046	22,380	22,716	23,052	23,387	23,555
18	21,413	21,911	22,246	22,582	22,918	23,253	23,588	23,924	24,259	24,595	24,931	25,267	25,435
19	23,433	23,978	24,314	24,648	24,984	25,320	25,656	25,990	26,326	26,662	26,997	27,333	27,501
20	25,636	26,233	26,567	26,903	27,239	27,575	27,910	28,246	28,582	28,916	29,252	29,588	29,756
21	28,062	28,716	29,091	29,386	29,722	30,058	30,393	30,728	31,064	31,399	31,735	32,071	32,239
22	30,723	31,439	31,775	32,111	32,446	32,782	33,117	33,453	33,788	34,124	34,460	34,795	34,962
23	33,634	34,419	34,754	35,090	35,426	35,762	36,096	36,432	36,768	37,103	37,439	37,775	37,942
24	36,834	37,694	38,030	38,365	38,700	39,036	39,371	39,707	40,043	40,378	40,713	41,049	41,217
25	40,348	41,291	41,626	41,962	42,298	42,632	42,968	43,304	43,639	43,975	44,310	44,646	44,813

~~HOUSE BILL 891 + 58(14-9)~~ ~~1980--1981 STATE ANNUAL SALARY MATRIX~~

GRD	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09	STEP 10	STEP 11	STEP 12	STEP 13
1	6,412	6,732	6,867	7,004	7,144	7,287	7,433	7,582	7,734	7,889	8,047	8,208	8,372
2	6,845	7,188	7,332	7,479	7,629	7,782	7,938	8,097	8,259	8,424	8,592	8,764	8,939
3	7,320	7,686	7,840	7,997	8,157	8,320	8,486	8,656	8,829	9,006	9,186	9,370	9,557
4	7,835	8,227	8,392	8,560	8,731	8,906	9,084	9,266	9,451	9,640	9,833	10,030	10,231
5	8,405	8,825	9,002	9,182	9,366	9,553	9,744	9,939	10,138	10,341	10,548	10,759	10,974
6	9,029	9,480	9,670	9,863	10,060	10,261	10,466	10,675	10,889	11,107	11,329	11,556	11,787
7	9,720	10,206	10,410	10,618	10,830	11,047	11,268	11,493	11,723	11,957	12,196	12,440	12,689
8	10,466	10,989	11,209	11,433	11,662	11,895	12,133	12,376	12,624	12,876	13,134	13,397	13,665
9	11,294	11,859	12,096	12,338	12,585	12,837	13,094	13,356	13,623	13,895	14,173	14,456	14,745
10	12,201	12,811	13,067	13,328	13,595	13,867	14,144	14,427	14,716	15,010	15,310	15,616	15,928
11	13,191	13,851	14,128	14,411	14,699	14,993	15,293	15,599	15,911	16,229	16,554	16,885	17,223
12	14,290	15,004	15,304	15,610	15,922	16,240	16,565	16,896	17,234	17,579	17,931	18,290	18,656
13	15,483	16,257	16,582	16,914	17,252	17,597	17,949	18,308	18,674	19,047	19,428	19,817	20,213
14	16,952	17,800	18,156	18,519	18,890	19,268	19,654	20,046	20,447	20,857	21,274	21,699	22,133
15	18,404	19,324	19,711	20,105	20,507	20,917	21,335	21,761	22,197	22,641	23,094	23,555	24,026
16	20,006	21,007	21,427	21,855	22,293	22,738	23,194	23,657	24,131	24,614	25,106	25,608	26,120
17	21,746	22,833	23,290	23,755	24,230	24,715	25,209	25,713	26,227	26,751	27,286	27,832	28,388
18	23,663	24,846	25,343	25,850	26,367	26,894	27,433	27,981	28,541	29,111	29,693	30,287	30,893
19	25,773	27,062	27,603	28,156	28,719	29,294	29,880	30,478	31,088	31,710	32,344	32,991	32,991
20	28,074	29,478	30,068	30,669	31,282	31,907	32,545	33,196	33,859	34,536	35,227	35,227	35,227
21	30,608	32,139	32,782	33,437	34,106	34,787	35,483	36,193	36,918	37,656	37,656	37,656	37,656
22	33,387	35,057	35,758	36,473	37,202	37,947	38,705	39,479	40,269	40,269	40,269	40,269	40,269
23	36,428	38,250	39,014	39,795	40,591	41,403	42,231	43,075	43,075	43,075	43,075	43,075	43,075
24	39,770	41,759	42,595	43,446	44,315	45,202	46,105	46,105	46,105	46,105	46,105	46,105	46,105
25	43,440	45,613	46,525	47,455	48,404	49,373	49,373	49,373	49,373	49,373	49,373	49,373	49,373

~~NOTE:~~
~~INCLUDES INSURANCE~~

Section 8. Section 2-18-312, MCA, is amended to read:

"2-18-312. Pay ~~matrix~~ schedule for second fiscal year 1981.

~~1978--1979 STATE ANNUAL SALARY MATRIX~~

GRD	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09	STEP 10	STEP 11	STEP 12	STEP 13
1			5,784	5,911	6,031	6,120	6,210	6,326	6,443	6,567	6,691	6,772	6,855
2	5,955	6,086	6,210	6,328	6,443	6,567	6,691	6,820	6,951	7,081	7,212	7,301	7,390
3	6,414	6,556	6,691	6,820	6,951	7,081	7,212	7,356	7,501	7,645	7,790	7,884	7,981
4	6,912	7,066	7,212	7,356	7,501	7,645	7,790	7,941	8,092	8,256	8,421	8,532	8,640
5	7,463	7,630	7,790	7,941	8,092	8,256	8,421	8,593	8,765	8,943	9,121	9,239	9,355
6	8,066	8,247	8,421	8,593	8,765	8,943	9,121	9,306	9,493	9,685	9,878	10,008	10,139
7	8,734	8,931	9,121	9,306	9,493	9,685	9,878	10,083	10,289	10,502	10,716	10,859	11,003
8	9,456	9,670	9,878	10,083	10,289	10,502	10,716	10,942	11,168	11,402	11,635	11,794	11,952
9	10,256	10,489	10,716	10,942	11,168	11,402	11,635	11,883	12,130	12,384	12,630	12,810	12,982
9.5	10,695	10,939	11,175	11,412	11,649	11,893	12,137	12,394	12,652	12,923	13,194	13,373	13,551
10	11,134	11,387	11,635	11,883	12,130	12,384	12,630	12,906	13,174	13,462	13,750	13,936	14,121
10.5	11,615	11,879	12,139	12,394	12,653	12,923	13,194	13,477	13,761	14,058	14,358	14,554	14,747
11	12,091	12,367	12,630	12,906	13,174	13,462	13,750	14,045	14,341	14,650	14,959	15,166	15,372
11.5	12,622	12,910	13,194	13,477	13,761	14,058	14,358	14,664	14,974	15,297	15,619	15,834	16,053
12	13,153	13,454	13,750	14,045	14,341	14,650	14,959	15,282	15,605	15,942	16,278	16,506	16,732
12.5	13,733	14,047	14,358	14,664	14,974	15,297	15,619	15,959	16,301	16,652	17,007	17,243	17,480
13	14,307	14,635	14,959	15,282	15,605	15,942	16,278	16,636	16,993	17,363	17,734	17,982	18,228
14	15,566	15,923	16,278	16,621	16,965	17,309	17,651	17,995	18,339	18,683	19,026	19,369	19,712
15	16,956	17,346	17,734	18,078	18,422	18,765	19,107	19,451	19,794	20,138	20,482	20,825	21,168
16	18,490	18,916	19,341	19,685	20,029	20,371	20,715	21,058	21,402	21,745	22,089	22,433	22,775
17	20,156	20,621	21,086	21,429	21,773	22,117	22,459	22,803	23,147	23,489	23,833	24,177	24,520
18	21,991	22,499	23,009	23,352	23,696	24,040	24,383	24,725	25,069	25,412	25,756	26,100	26,444
19	24,011	24,567	25,125	25,469	25,810	26,154	26,498	26,842	27,184	27,528	27,872	28,215	28,558
20	26,214	26,822	27,433	27,774	28,118	28,462	28,806	29,149	29,493	29,837	30,179	30,523	30,866
21	28,640	29,305	29,974	30,350	30,660	31,004	31,347	31,690	32,033	32,377	32,720	33,064	33,408
22	31,301	32,028	32,761	33,105	33,449	33,792	34,135	34,478	34,822	35,165	35,509	35,853	36,196
23	34,212	35,000	35,811	36,154	36,498	36,842	37,186	37,527	37,871	38,215	38,558	38,902	39,246

NEW SECTION. Section 9. Pay schedules for institutional teachers.

(1) Teacher pay schedule for fiscal year 1980:

Experience (Grade)	BA (Step 1)	BA+1qtr. (Step 2)	BA+2qtr. (Step 3)	5th Year (Step 4)	MA (Step 5)	MA+1qtr. (Step 6)
0	10,250	10,577	10,915	11,079	11,243	11,582
1	10,635	11,001	11,368	11,456	11,735	12,102
2	11,021	11,427	11,822	12,025	12,227	12,624
3	11,407	11,851	12,275	12,498	12,719	13,145
4	11,793	12,275	12,729	12,971	13,211	13,665
5	12,179	12,700	13,183	13,444	13,703	14,187
6	12,564	13,124	13,637	13,915	14,195	14,708
7	12,950	13,550	14,089	14,388	14,687	15,229
8	13,336	13,974	14,543	14,861	15,181	15,750
9	13,724	14,399	14,997	15,335	15,673	16,271

(2) Teacher pay schedule for fiscal year 1981:

Experience (Grade)	BA (Step 1)	BA+1qtr. (Step 2)	BA+2qtr. (Step 3)	5th Year (Step 4)	MA (Step 5)	MA+1qtr. (Step 6)
0	11,070	11,420	11,783	11,959	12,135	12,498
1	11,483	11,875	12,269	12,363	12,662	13,056
2	11,897	12,332	12,756	12,973	13,190	13,616
3	12,311	12,787	13,241	13,481	13,718	14,175
4	12,724	13,241	13,728	13,988	14,245	14,732
5	13,138	13,697	14,215	14,495	14,773	15,292
6	13,551	14,152	14,702	15,000	15,301	15,851

7	13,965	14,609	15,187	15,508	15,828	16,410
8	14,379	15,064	15,674	16,015	16,358	16,968
9	14,795	15,519	16,161	16,523	16,886	17,527
10	15,208	15,974	16,705	17,031	17,413	18,086

NEW SECTION. Section 10. Pay schedules for liquor store occupations. (1) Liquor store pay schedule for fiscal year 1980:

Grade	$/Hour
L1	4.533
L2	4.893
L3	5.263
L4	5.468
L5	5.683
L6	6.133
L7	6.623
L8	7.173

(2) Liquor store pay schedule for fiscal year 1981:

Grade	$/Hour
L1	4.893
L2	5.253
L3	5.623
L4	5.828
L5	6.043
L6	6.493
L7	6.983

L8	7.533

NEW SECTION. Section 11. Pay schedules for blue-collar occupations. (1) Blue-collar pay schedule for fiscal year 1980:

Grade	$/Hour
B1	5.036
B2	5.364
B3	5.692
B4	6.020
B5	6.348
B6	6.676
B7	7.004
B8	7.332
B9	7.660
B10	7.988
B11	8.316
B12	8.644
B00**	8.972

(2) Blue-collar pay schedule for fiscal year 1981:

Grade	$/Hour
B1	5.332
B2	5.660
B3	5.988
B4	6.316
B5	6.644

B6	6.972
B7	7.300
B8	7.628
B9	7.956
B10	8.284
B11	8.612
B12	8.940
B00**	9.268

(3) In recognition that the blue-collar employee classes in the university system have been paid at rates higher than employees in the blue-collar classes in the executive branch, it is the intent of the legislature during the next biennium that the board of regents seek wage settlements which reduce the current wage disparities or provide wages equal to those of employees in the executive branch.

Section 12. Section 2-18-701, MCA, is amended to read:

"2-18-701. Definitions. In this part, as it applies to a person employed in the executive, judicial, or legislative branches of state government, "employee" means:

(1) a permanent full-time employee defined in 2-18-601;

~~(2) a part-time employee defined in 2-18-601 who is scheduled to work at least 20 hours per week~~

~~(3) a person employed in a seasonal position defined~~

~~in--2-18-601--who--is-employed-on-a-regular-basis-at-least-8 months-of-the-fiscal-year.~~

(2) a part-time permanent employee, as defined in 2-18-601, who is scheduled to work a regular schedule of 20 hours or more a week;

(3) a seasonal employee, as defined in 2-18-601, who is scheduled to work 6 months or more a year;

(4) elected officials;

(5) officers and employees of the legislative branch;

(6) judges and employees of the judicial branch; and

(7) academic, professional, and administrative personnel having individual contracts under the authority of the board of regents of higher education or the state board of public education."

Section 13. Section 2-18-703, MCA, is amended to read:

"2-18-703. Contributions. (1) ~~The--respective administrative-and-governing-bodies~~ Each agency, as defined in 2-18-601, shall contribute the amount specified in this section towards the ~~insurance-premium~~ group benefits cost.

~~(1)~~(2) For employees defined in 2-18-701 other than members of collective bargaining units, and for members of the legislature, the employer contribution for ~~insurance~~ group benefits shall be ~~$240~~ $80 per year month for the fiscal year ending June 30, ~~1979~~ 1980, and ~~$360~~ $60 per year month for each fiscal year thereafter. ~~The-employer-shall~~

~~prorate-this-amount-for-employees-who-work-less--than--2,000 hours--per--year.~~ Permanent part-time employees who are regularly scheduled to work less than 20 hours a week are not eligible for the group benefit contribution. An employee who elects not to be covered by a state-sponsored group benefit plan may not receive the state contribution as wages.

~~(2)--For---state---employee--members--of--a--collective bargaining--unit,--the--employer--shall---pay---the---amount negotiated-with-the-collective-bargaining-unit.~~

(3) For employees of elementary and high school districts and of local government units, the employer's premium contributions may exceed but ~~shall~~ may not be less than $10 per month.

(4) Unused employer contributions for any state employee shall be transferred to an account established for this purpose by the department and upon such transfer may be used to offset losses occurring to the group of which the employee is eligible to be a member."

Section 14. Appropriation. There is appropriated to the Office of Budget and Program Planning $4,509,410 for the fiscal year ending June 30, 1980, and $9,490,590 for the fiscal year ending June 30, 1981, from the general fund to carry out the provisions of this act as it pertains to executive branch agencies not including units of the

university system, vocational-technical centers, and community colleges. The Office of Budget and Program Planning is authorized to increase the expenditure authority of executive branch agencies, not including units of the university system, vocational-technical centers, and community colleges, by $5,981,022 for the fiscal year ending June 30, 1980, and $12,888,269 for the fiscal year ending June 30, 1981, from funds other than the general fund which accrue under provision of law to the respective agencies to carry out the provisions of this act.

Section 15. Reversion of funds. Appropriated funds not spent at the end of the fiscal year shall revert to the fund from which appropriated.

Section 16. Codification. The code commissioner shall codify sections 9, 10, and 11 of this act in Title 2, chapter 18, part 3, and preferably shall codify them as 2-18-313, 2-18-314, and 2-18-315, respectively.

Section 17. Repealer. Section 2-18-307, MCA, is repealed.

-End-

46th LEGISLATIVE SESSION

COMMITTEE ON Finance and Claims

HOUSE BILL NO.	ENTERED COMM.	DATE CONSIDERED	OUT OF COMM.	DO PASS DATE	DO NOT PASS DATE	DO PASS AS AMEND. DATE	BE CONCURRED IN DATE	BE CONC. IN AS AMENDED DATE	BE NOT CONCURRED IN DATE
723	3/27	4/6,9	4/9						4/9
807	3/27	4/5,7	4/7				4/7		
811	3/23	4/3	4/3				4/3		
824	4/19	4/19	4/19				4/19		
841	3/28	4/6,13	4/13					4/13	
844	3/28	4/6	4/17					4/17	
849	3/28	4/6,10	4/10						4/10
859	2/27	Select Committee on the Pay Plan							
868	3/28	4/4,9	4/9						4/9
874	3/9	3/19,20	3/20				3/20		
890	3/28	4/5,10	4/10				4/10		
891	4/11	4/12,13	4/13					4/13	
894	3/28	4/5,11	4/11					4/11	
895	3/28	4/5,7	4/7					4/7	
896	3/28	4/4,7	4/7					4/7	
897	3/28	4/5,7	4/7				4/7		

Use a separate sheet for Senate, House Bills, and Resolutions.

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OF MONTANA

FINANCE AND CLAIMS

MONTANA SENATE

46th Legislative Session

1979

Committee Members

Matt Himsl, Chairman

Pete Story, Vice Chairman

Gary Aklestad

Lloyd Lockrem

Mark Etchart

Harold Nelson

Ed Smith

Paul Boylan

Pat Regan

Larry Fasbender

Cornie Thiessen

Bill Thomas

Lawrence Stimatz

Total Senate Bills in Committee	12
Total House Bills in Committee	74
Total Senate Joint Resolutions	2
Total House Joint Resolutions	2

MINUTES OF THE MEETING
FINANCE AND CLAIMS COMMITTEE
MONTANA STATE SENATE

April 12, 1979

The thirty-ninth meeting of the Senate Finance and Claims Committee met in room 108 of the State Capitol on the above date. Following roll call the meeting was called to order by Senator Himsl, Chairman at 8:22 a.m.

ROLL CALL: All members present except Senator Thiessen.

CONSIDERATION OF HOUSE BILL 891: Representative South, district 51 explained this bill as the pay plan which represents settlement of contracts with 95% of the ones we bargain with collectively. The basic pay matrix = 9300 people, the blue color plan = 47¢ an hour increase, Liquour = 250-60 = 36¢ hour and St. teachers = 40 = 95% of the pay roll; Helena, Miles City, School for the Deaf and Blind, etc. Sheet attached showing Step 1 = 5% = step 2 etc.

Rep. South said the health Insurance is now paying $30 a month, will be $50 the first year. He said the committee would hear about the different types of discord in this. He told of the inequities resulting from both husband and wife working for the state, both getting the basic amount and not able to use all the benefits; the single person who paid a higher portion to balance the program out, and the low risk areas pulling out in their own plan and leaving more of the high risk in a single plan leaving a higher rate for that group. He felt this could be worked out, especially if the state pays the insurance in the near future, and they were also working on pulling the insurance out of the basic pay so that a more equitable balance could be obtained and it would be an easy matter to figure the increases after this was done. He explained the sheet attached.

Bill Gosnell, Department of Administration, administrator of the Personell Division said he would discuss 3 items there was some concern about. Health Insurance. He said it lacks flexibility. The bill is very restrictive. He still has the continuing problem of recruitment, transfers, etc A lot of things happen in the 2 years you are gone. He said on the Health Insurance they have moved from the $10 a month to the $50 and $60 per month in the last 2 years. They are now in the $30 rate. There is inequity in the plan for a single person, for a married person with a healthy family or for a married couple who both work for the state. I hope to bring you something better next time. We plan on having this worked out so that you can tell what is salary and what is benefits.

Leroy Schram, Labor Negotiation Division said this in the most part reflects the settlements reached out of about 6,000 out of 10,000 state employees. There are similar crafts in the institution and we hope they will settle. They have the option of settling, but some parts of the bill is controversial. He gave a hand out, attached, and based on the settlement only

2 or 3 days ago. He explained the blue circle rate and the red circle rate as those in the top brackets of pay who are receiving the limit or over for their step and grade. There were some adjustments on those. He proposed an amendment on page 21, line 7--on the hand out, and said it was very controversial. He said the union people would tell them that if an amendment like this is not taken a strike vote will be taken and there could be a strike in the next few days. He said the exact same amendment had been offered in the select committee and defeated, it had been offered in the House and was defeated. He said he was neither an advocate nor an opponent of the amendment. He was merely stating it for the benefit of the committee. He said there is no unanimity around the state on it. He said AFCME represents 4 unions that were in the strike and represent about 900 employees. MPEA around 3500 in the state, the Independent Unions between 3 and 400 and AFCME an additional 400 in the blue collar plan.

Dave Evenson, employee of the Classification division and pay bureau said he would speak on the rebating system. He said one of the arguments in support is the single employee is subsidizing the families. The concept of insurance says that subsidization occurs. He said if they were all together they could get more health care, the younger ones subsidize the older ones. He explained the $'s being spent now and a few years ago and the health care that people were getting for it. He said there is a high utilization of the health benefits at Warm Springs and also at the other institutions. He told how they could get more coverage for less money if all the state workers were together on one plan.

Don Judge handed out an amendment which he said was the unions version of the one handed out by Schram. He said it would ask for a reversion of the amount paid by the state. He said at this point in time the legislature has not approved this plan. They were taking it back to the employees. He said the employee should be able to determine the amount between salary and health insurance. The second portion would remove the slush fund for offsetting the insurance company with the excess of contributions paid. All they were asking for is equity for the people who are now making the contributions. He said they would have no objection in the future if the state picks up the entire tab, and the salary is segregated so that equal pay for equal work will really be true.

Pat McKittrick, Joint Council of Teamsters # 2 said he supports the concept. He said he would hope that some of the things would be amended, even at this hour. It has some serious flaws and does not address itself as looking at public employees as human beings but as different units as addressed by the bill. He felt there was restrictive language as it relates to classification and appropriate units. He said he firmly felt that holding a club over the bargaining is not good faith in bargaining. He said on Mr. Gosnell's flexibility--first, if the rule of 2.3 is implemented or you accept the amendment, it should not

conflict with the negotiated labor units and the labor agreements should take precedence.

Dave Lewis, Director of the Department of Administration said he would like to address the Gosnell amendment. He said he would like to speak to it from a management view point. They would like to address an employee who is really doing a good job. In the group you have a series of people performing at a certain level; some may be barely adequate and some beyond the call of duty. I would like to have the ability to motivate the people to do better. In the federal government almost everyone has the ability to give a step increase for various reasons. We would like the opportunity to do this at the Department of Administration. This would reward the people who were really doing an exceptional job. I think it is imperative that we have this ability. It should be a money saver for the state.

Mary Craig, Deputy Director, Department of Revenue, said we need the ability to reward the person who performs above and beyond the call of duty.

Tom Schneider, Executive Director, MPEA, said he liked the bill as it is. He said they represent a lot of the university people. It covers 4200 state and university employees and they voted in favor of this. He said one group voted--89 people voted and 88-1 in favor of a composite form of health insurance. The single people said eveh though they realized they were paying more and giving up benefits for themselves, but felt they could only get a good insurance program for everyone in the future. The $30 per month contribution will not attract a large number of carriers to come and bid on the contract in the first place. He said in todays health insurance very few companies even are interested in it anymore. They went to bid 2 years ago and only 3 companies who even made inquiries except for the blues. We had laws that allowed fragmentation and laws that allowed them to discount, etc. This breaks it down. We need all the people to stick together in a good health program.

Darlene Ruck, said there are 4,000 employees who have insurance. They are in favor of the bill as written.

There were no opponents to the bill.

Representative South: The only contention we have is with the insurance. The House has gone in favor of the composite plan. If we change from this, we do it on the merits of the case, and not on the strength of the strike. I would hope that you would take action that would benefit all of the employees. It is my intention that if I come back, the state will be paying for the full cost of the insurance.

Senator Himsl: Did I understand you to say that in the case of the married couple there would be no loss because one of them could take the cost of the health insurance.

Schneider: With some in the blue shield and some in the blue cross, within the health insurance contract itself we can write language--the $50 pays the one and the other pays the remainder.

Senator Himsl: What did you say about the life insurance?

Schneider: We have it now.

Senator Himsl: If both contribute $50 from the state. $50 of that could be assigned to the health insurance and $50 to the life. Schneider: No. At the present time you could not both take the family plan, because the combined amounts are enough to pay the total premium. We could put it in the contract that the total premium would be paid and then go for life insurance. In this case the life insurance would be for both and not just the principle carrier. They have $85 a mongh for health insurance and $10,000 life insurance goes with it. If all we do is say that both work for the state they will get $85 worth of benefits. The only thing they are losing however, is that only one person is the primary principle carrying the family program and the only one eligible for the life insurance. The wife is not covered by the life insurance. In this case the wife also works for the state and should be eligible and entitled to the life insurance. It can be done in the contract. If we simply combine the $50 only one is covered. If we write it into the contract the extra $15 would pay for the additional insurance.

CONSIDERATION OF HOUSE BILL 507: The sponsor, Representative Porter was represented by Representative South who explained the bill. He said he would speak to both 507 and 508. He said basically both bills deal with elected judges and elected officials. He said in most cases the raise was 7% or less, and in some cases it was 6%. He said the reason it was necessary was that last session by law they were blocked into grade 8, step 1, or close. He said the reason the legislators received the amount they did was because they were locked into the pay plan. He compared the salaries for the legislators with those of the prison guards. He said this would raise the salary from $34.90 a day to about $42 a day. There was some debate over the actual figgures involved, some feeling the raise now was only to $37 a day.

Pat McKittrick representing Montana Judges Association said they were in support of the bill. He said unless the salaries were somewhat reasonable it was hard to get good competent people to run for judge. He said prior to 1977 it was really a problem, and what the legislature did in 1977 was very comendable. He said this is a step forward where we can get important people who are qualified.

There were no further proponents, no oponents and no questions from the committee. Representative Porter closed by saying that the Judge's salary is under the presidential guidelines. If this would not be done it would amount to a decrease.

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Senator Smith: I am sure you realize the tremendous

ROLL CALL

SENATE FINANCE AND CLAIMS COMMITTEE

46TH LEGISLATIVE SESSION 1979 Date 4-12-79

NAME	PRESENT	ABSENT	EXCUSED
SENATOR HIMSL	✓		
SENATOR STORY	✓		
SENATOR AKLESTAD	✓		
SENATOR LOCKREM	✓		
SENATOR ETCHART	✓		
SENATOR NELSON	✓		
SENATOR SMITH	✓		
SENATOR BOYLAN	✓		
SENATOR REGAN			
SENATOR FASBENDER	✓		
SENATOR THIESSEN			
SENATOR THOMAS	✓		
SENATOR STIMATZ	✓		

That House Bill No. 891, second reading bill, be amended as follows:

1. Page 10, line 20.
Following: "benefits"
Strike: ",except that in no case by the group benefits allocation be less than the amounts provided in 2-18-703."
Insert: "."

2. Page 20, line 15
Following: line 15
Strike: subsection 4 in its entirety

HB-891 AMENDMENT

Pages 19+20, Section 13, a new clause 2 is inserted to read as follows:

~~(1)--For-employees-defined-in-2-18-701-other-than-members of-collective-bargaining-units,-and-for-members-of-the legislature,-the-employer-contribution-for-insurance-shall be-$240-per-year-for-the-fiscal-year-ending-June-30,-1978, and-$360-per-year-for-each-fiscal-year-thereafter.--The employer-shall-prorate-this-amount-for-employees-who-work less-than-2,080-hours-per-year.~~

(2) For employees defined in 2-18-701 the employer contribution for group benefits shall be no less than $30 per month. At an employee's option additional amounts may be contributed by the employer. The specific additional amounts to be contributed shall be established by the department in such a fashion as will maximize the amount of insurance contributions that can be made on the employee's behalf without creating an income tax liability for the employee as a result of the contribution under the tax laws of Montana and the United States. Permanent part-time employees who work less than 20 hours a week are not eligible for the group benefit contribution. An employee who elects not to be covered by a state sponsored group benefit plan may not receive the minimum state contribution as wages.

* * * * *

This amendment is presented because several large bargaining units have indicated their dissatisfaction with the "composite contribution" approach to health insurancefunding as expressed in H.B. 891. For employees selecting employee-only health coverage a monthly contribution of $30 is sufficient to fund an adequate policy. The contemplated increases to $50 and $60 a month result in such employees contributing more than is necessary for their coverage, thereby subsidizing employees who choose the full family coverage. Because the increased insurance contributions are considered as part of the 5.8% and 5.7% annual increases in the pay matrix amounts, the adoption of composite insurance contributions means that single employees are being deprived of about 2% of that raise in 1979 and 1% of that raise in 1980 in order to reduce the insurance premium for those choosing dependent coverage.

This amendment would keep the employer insurance contribution at a minimum of $30 a month, but would allow additional tax free contributions to be made in lieu of wages. This would result in a higher insurance premium for dependent and family coverage, but it would end the problem of the subsidization by single employees.

This amendment is presented by the Labor Relations Bureau as a result of negotiated contract provisions with the AFSCME units at Galen, Boulder, the Prison, and the Registrar's Bureau; the Warm

HOUSE BILL 891 +.5%(14-↑) COMPARISON OF 1979 SALARY MATRIX TO THE 1980 SALARY MATRIX

GRD	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09	STEP 10	STEP 11	STEP 12	STEP 13
1	.00	.00	9.09	8.88	8.85	9.41	9.98	10.13	10.29	10.37	10.49	11.35	12.21
2	6.01	8.92	8.88	9.02	9.18	9.27	9.40	9.47	9.55	9.68	9.84	10.66	11.52
3	5.61	8.48	8.41	8.48	8.57	8.71	8.87	8.87	8.90	8.98	9.10	9.95	10.78
4	5.23	8.09	8.02	8.03	8.06	8.14	8.25	8.32	8.42	8.39	8.39	9.13	9.91
5	4.89	7.71	7.61	7.68	7.78	7.75	7.75	7.70	7.70	7.67	7.68	8.43	9.22
6	4.54	7.37	7.25	7.21	7.21	7.17	7.19	7.16	7.15	7.12	7.13	7.86	8.60
7	4.23	7.03	6.89	6.86	6.85	6.83	6.84	6.76	6.71	6.64	6.60	7.30	8.01
8	3.94	6.72	6.56	6.48	6.44	6.37	6.32	6.21	6.14	6.04	5.99	6.66	7.36
9	3.66	6.43	6.26	6.15	6.07	5.98	5.93	5.80	5.72	5.62	5.57	6.23	6.92
10	3.40	6.16	5.98	5.84	5.77	5.67	5.62	5.50	5.41	5.22	5.08	5.75	6.45
11	3.16	5.91	5.71	5.58	5.51	5.31	5.17	5.02	4.91	4.75	4.64	5.28	5.94
12	2.94	5.67	5.46	5.31	5.20	5.05	4.94	4.77	4.65	4.49	4.38	5.00	5.65
13	2.73	5.45	5.24	5.07	4.95	4.79	4.68	4.48	4.33	4.15	4.02	4.63	5.29
14	3.06	5.79	5.54	5.43	5.36	5.34	5.37	5.41	5.51	5.64	5.81	6.01	6.26
15	2.88	5.59	5.35	5.42	5.52	5.66	5.85	6.05	6.30	6.57	6.88	7.22	7.59
16	2.72	5.42	5.17	5.40	5.66	5.96	6.29	6.65	7.03	7.45	7.89	8.36	8.87
17	2.56	5.27	5.00	5.39	5.80	6.23	6.71	7.20	7.72	8.28	8.85	9.45	10.07
18	2.42	5.12	4.85	5.37	5.92	6.49	7.10	7.73	8.38	9.05	9.75	10.47	11.21
19	2.30	4.98	4.70	5.36	6.04	6.74	7.47	8.21	8.99	9.78	10.59	11.43	10.09
20	2.18	4.86	4.58	5.36	6.15	6.96	7.80	8.66	9.54	10.45	11.38	10.12	8.90
21	2.07	4.75	4.46	5.20	6.24	7.17	8.11	9.08	10.07	11.08	9.92	8.77	7.65
22	1.97	4.64	4.34	5.32	6.33	7.35	8.40	9.47	10.55	9.48	8.42	7.38	6.36
23	1.88	4.54	4.24	5.32	6.41	7.53	8.66	9.83	8.83	7.85	6.89	5.95	5.02
24	1.80	4.45	4.15	5.31	6.49	7.69	8.92	8.00	7.10	6.22	5.35	4.49	3.65
25	1.72	4.37	4.07	5.30	6.56	7.84	7.00	6.18	5.36	4.57	3.78	3.00	2.24

NOTE: INCLUDES INSURANCE
THE VALUES IN THE BODY OF THE TABLE REPRESENT THE PERCENT OF INCREASE FROM ONE MATRIX TO ANOTHER.

$275,000
$275,000

Amendment to HB 891, third reader

Page 9, Line 8:

INSERT: (7) the Department may develop a program which will enable the Department to mitigate problems associated with difficult recruitment, retention, transfer or other exceptional circumstances.

2.03 Agency Authorized Exceptions: An agency director may, at his discretion, authorize salary increases for employees when exceptional circumstances justify this action. The following guidelines apply:

1. The employee must be a full-time, permanent employee.

2. The salary advancement shall be limited to three (3) steps or less of the authorized grade for the class.

3. Written justification setting forth in detail the nature of the exception must be signed by the agency director and, for the purpose of establishing a record, filed with the Administrator of the State Personnel Division. The following statement shall be included. "This exception to the pay rules will not result in a deficiency or supplemental appropriation request to the legislature."

4. No more than one exception may be given to any individual in one year.

5. No more than 5% of the full-time permanent employees in an agency may be eligible for an exception.

6. Rule 2.03 may be utilized unless it conflicts with negotiated labor contract provisions, which shall take precedence to the extent applicable.

[illegible]
ANIMAL HEALTH DIVISION
[illegible], D.V.M.
[illegible]

BRANDS ENFORCEMENT DIVISION
James L. "Les" Graham
Administrator

STATE OF MONTANA
DEPARTMENT OF LIVESTOCK
HELENA, MONTANA 59601
(406) 449-2043

December 1, 1978

Mr. William S. Gosnell, Administrator
Personnel Division
Department of Administration
Capitol Station
Helena, Montana 59601

Dear Mr. Gosnell:

The Board of Livestock, on November 27, 1978, recogn
Monte Ballou, Chief Pilot, Department of Livestock,
employee who has demonstrated outstanding performanc
Therefore, they unanimously approved a three-step sa
increase effective next pay period.

Itemized below are the seven major reasons Monte Bal
given this special financial recognition:

1) He has saved the Department thousands of dolla
completing the majority of helicopter maintena
required.

2) He has searched and obtained helicopter parts
below standard prices usually paid for such pa

3) He has constructed helicopter parts which coul
be obtained immediately or were not available.

4) He has exercised extreme tact while working wi
Fish and Wildlife Service trappers and supervi
staff.

5) He has unselfishly given of his own time for t
ment's benefit. He has lost 98 hours of comp
being with the Department, plus worked many ex
without recording them.

6) He has purchased items for the helicopter program out of his own pocket.

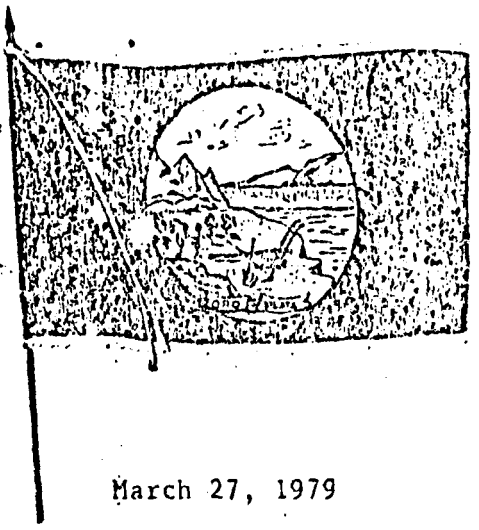
7) He has developed the Department's helicopter program to one of high respectability and worth to the livestock industry and others.

This exception to the pay rules will not result in a deficiency or supplemental appropriation request to the legislature.

Sincerely,

Les Graham, Administrator
Brands-Enforcement Division
Department of Livestock

LG:KS:cp



STATE OF MON
DEPARTMENT OF

March 27, 1979

RECEIVED
APR 2 1979
STATE PERSONNEL
DIVISION

William S. Gosnell, Administrator
Personnel Division
Department of Administration
Mitchell Building
Helena, Montana 59601

Dear Mr. Gosnell;

Effective April 16, 1979, I am authorizing a three-step s
James T. Weaver. This action is in accordance with Paragr
3-0505, Pay Plan Rules, Volume III, Montana Operations Ma

This increase is being given because Mr. Weaver has accep
transfer to a position of greater responsibility requirin
Helena to Missoula.

The Department of Highways - Personnel Division will com
necessary to effect the increase. This exception to the
not result in a deficiency or supplemental appropriation
legislature.

Very truly yours,

Ronald P. Richards
Director of Highways

RPR:kg:U33

cc: Personnel File
Admin. - Department of Highways
Personnel Division

Ted Doney, Director
Department of Natural Resources and Conservation

William S. Cogswell, Administrator
Personnel Division
Department of Administration

November 21, 1978

Rule 2.01, Difficult Recruitment, Electrical Engineer

Your request to recruit for an Electrical Transmission Engineer at step of the grade is approved.

Please keep us informed if further problems develop with this po

WSG/DE/dh

Thomas L. Judge, Governor

MONTANA DEPARTMENT OF NATURAL RESOURCES & CONSERVATION

MEMBERS OF THE BOARD - CHAIRMAN CECIL WEEDING, [illegible] DAVID G. ROMA
DR. WILSON F. CLARK, DR. ROY E. HUFFMAN, WILLIAM H. [illegible], CHARLES L. HASH

DNRC

Ted J. Doney, Director

MEMORANDUM

November 14, 1978

TO: David Evenson
Administrative Officer
State Personnel Division
Department of Administration

FROM: Joel Sims
Personnel Officer
DNRC

RECEIVED
NOV 16 1978
STATE PERSONNEL DIVISION

SUBJECT: Pay Plan Exception

The Department has for the past fifteen months attempted to fill a Grade 15 Electrical Transmission Engineer position (No. 40140). During this period no applications have been received from engineers qualified to assume the position's duties and responsibilities.

Based on contact with colleges, universities, and industry, it is our opinion that unless we are able to offer a starting salary of at least $18,000/year our attempts to staff this position will continue to be unsuccessful. We are therefore requesting authorization to use the entire grade 15 salary range in our nationwide recruitment efforts. The salary at which the position is filled will depend on the applicant's qualifications and salary requirements.

CENTRALIZED SERVICES DIVISION
RICHARD ISAACS, ADMINISTRATOR
[illegible]

32 SOUTH EWING, HELENA, MONTANA 59601

STATE OF MONTANA
DEPARTMENT OF FISH AND GAME
HELENA, MONTANA

RECEIVED
JAN 12 1979
STATE PERSONNEL DIVISION

Office Memorandum

TO : John Gaffney's Personnel File

DATE: January 9, 1979

FROM : Robert F. Wambach

SUBJECT: Justification for granting exception for three step increase

John J. Gaffney (position 13809) and Thomas W. Musschl (position 15806) both work at the Research Park Building, Montana State University, Bozeman, performing essentially the same duties, Tom for the Game Division and John for the Fisheries Division. Their positions were audited last year by Don Coburn of the Personnel Division and determined to both be properly classified as Grade 16.

When Gaffney and Musschl were originally recruited for these positions, the department was under its own pay system and the positions were classed one grade higher than that of regional fisheries or game manager. I am not aware of how many applicants there were for Musschl's position but Gaffney was the only applicant for his job. Thus, I believe it is safe to assume that if either position became vacant now, with both jobs at the same grade as a regional manager, we would have considerable difficulty in filling either position with persons of similar experience. Although both men are Grade 16, Tom is at Step 10 and John is at Step 6. This is because Tom arrived from the position of assistant division administrator and John arrived from the position of bureau chief. Using the logic both of difficulty in filling positions and equal compensation for comparable jobs, I am increasing John Gaffney's classification from Step 6 to Step 9 under rule 2.03.

This exception to the pay rules will not result in a deficiency or supplemental appropriation request to the legislature.

Robert F. Wambach
State Fish and Game Director

RFW/ANW/eb

The Big Sky Country

STATE OF MONTANA
SOCIAL AND REHABILITATION SERVICES

P.O. Box ...
HELENA, MONTANA ...

MONTANA SRS

THOMAS L. JUDGE
GOVERNOR
PATRICK E. MELBY
DIRECTOR

RECEIVED
FEB 13 1979
STATE PERSONNEL DIVISION

RECEIVED
FEB 8 1979
STATE PERSONNEL

February 6, 1979

TO: Ron Brown, Administrator
Centralized Services Division

FROM: Keith L. Colbo KLC
Director

RE: Tom Baggett - Step Increase

I am hereby approving your request for a three-step increase for Tom Baggett, Chief of the Data Processing Bureau, under the provisions of Pay Plan Rule 2.03.

I have asked Jack Stuart to prepare for my signature the necessary papers to submit to the Department of Administration.

cc Jack Stuart

Big Sky Country

STATE OF MONTANA
SOCIAL AND REHABILITATION SERVICES
[illegible]
HELENA, MONTANA 59601

MONT

February 2, 1979

THOMAS L. JUDGE
GOVERNOR
KEITH L. COLBO
DIRECTOR

CENTRALIZED SERVICES DIV
RONALD K. BROWN
ADMINISTRATOR

FEB 8 1979

PERSONNEL

TO: Keith L. Colbo, Director

FROM: Ron Brown, Administrator
Centralized Services Division

RE: Step Increase

Request Tommy Baggett, Chief, Data Processing Bureau, be granted a three-step increase per pay plan rule 2.03, dated October 19, 1978.

Tommy fills a critical position in the Centralized Services Division. His knowledge of the 30+ computer systems in use by the Department and his expertise in the myriad functions of the Data Processing Bureau makes his a key position.

The departure of Ben Potts places an even heavier burden of responsibility and demand for expertise on him. He is the key to the implementation of a new computer, whether the Burroughs is retained or another vendor's equipment is installed at a later date.

Although he is not actively seeking other employment, he has recently been offered a higher paying position by a commercial firm. Fortunately, he rejected the offer. If we are to retain him, and I am of the opinion that we must make every effort to do so, we should make employment with the Department more attractive to counter future offers of employment. Approval of this request will do much to accomplish this objective.

It might be noted that when he was promoted from the Supervisory System Analyst to the Bureau Chief in August, 1977, he was promoted from a grade 15, step 4 to a grade 17, step 1. Under rules issued subsequent to his promotion, he would have been a grade 17, step 3.

Your favorable consideration of this request will be appreciated.

Ronald K. Brown, Administrator

pw This will not result in any supplemental appropriation. Adequate funds exist in the OA program to fund this increase.

[illegible]

71

STATE OF MONTANA
DEPARTMENT OF AGRICULTURE

1100 BLOCK CEDAR STREET
AIRPORT WAY BUILDING WEST
HELENA, MONTANA 59601

TELEPHONE
AREA CODE 406
449-3424

THOMAS L. JUDGE
GOVERNOR

W. GORDON McOMBER
DIRECTOR

MEMORANDUM

To: William Gosnell, Administrator
Personnel Division
Department of Administration

From: W. Gordon McOmber, Director
Montana Department of Agriculture

Date: May 30, 1978

Re: Request for authority to advance an employee from grade 13 step 4 to grade 13 step 8.

The department currently does not have an inspector permanently assigned to northeast and eastern districts of the state. Due to recent violations and requests for service I have determined an inspector must be assigned to this area as soon as possible.

The eastern district consists mainly of feed, seed, fertilizer and grain related industries. Mr Reynolds, who holds an F.D.A. Medicated Feed Inspectors license is the most qualified field inspector to fill the position. Therefore, I am proposing that Mr. Reynolds be transferred from the Helena office to the eastern district with headquarters established at Glendive, Montana.

Mr Reynolds, in addition to the normal Agricultural Inspector II duties will be assigned specific medicated feed inspection duties for the entire eastern and east central district. Mr. Reynolds will also be responsible for the Departments Official Bean Sampling services in the Glendive, Sidney and Fairview areas.

Mr. Reynolds is well acquainted with the business clients, is one of our most experience inspectors, can accept the new responsibilities, can operate with minimum supervision resulting from the geographic spread and will be able to provide immediate service to the area.

In analyzing this transfer, the question arises as to what is the proper classification and grade. The new assignment will have a higher degree of technical responsibilities related to the Medicated Feed Mill inspections. In addition, it is in the Departments best interest to place a mature experienced and proven inspector in this district.

After careful consideration I have concluded that an advancement in steps within the current Agricultural Inspector II classification would be most justified. It would recognize the expanded duties and responsibilities of the position, it would recognize the Department's need for an experienced person for the area, and would basically maintain our staffing pattern and classification series.

Therefore, I am requesting your authority to incorporate advancing Mr. Reynolds from Agricultural Inspector II grade 13 step 4 to Agricultural Inspector II grade 13 step 8 as a condition of his position transfer.

Your consideration and response is appreciated. If you have questions please contact me.

WSIU

(5) Schramm

RECEIVED

MAR 16 1979

STATE PERSONNEL

MEMORANDUM OF AGREEMENT

The Warm Springs Independent Union and the Montana State Labor Relations Bureau hereby agree to the following:

1. The administration of the Warm Springs State Hospital will support and apply to the State Classification Bureau, Personnel Division, for an upgrade of Switchboard Opr. I.

   The final decision shall be made by the Classification Bureau, Personnel Division, subject to appeal to the Board of Personnel Appeals as provided by statute. To the knowledge of the parties, the position in question is the only bargaining unit employee presently in grade 5.

2. Subject to legislative approval salary schedules as per Attachments A & B shall be incorporated into the contract for the two year period beginning with the first full payroll period following June 30, 1979. An employee shall progress one step on the employee's anniversary date, except that normal progression from step 1 to step 2 shall be after 6 months of employment unless such progression is disallowed by the legislature.

3. The annual salary schedules attached include amounts to be contributed by the State on the employees' behalf to a State employee health insurance plan. In every case the contribution made by the State shall be no less than the premium for minimum employee-only coverage.

   At each employee's option the state's contribution may be increased to a limited number of specific amounts, to be negotiated at a later date as will maximize the amount of tax free contribution to be made on the employees' behalf.

   Such an optional system for additional contributions is contingent upon legislative approval, and the Labor Relatio Bureau agrees to present to the Legislature the Union's pre ference for such an optional system of contributions instea of a system mandating contributions of $50/monthly and $60/ monthly for all employees.

MIKE BEAUSOLEIL, President
Warm Springs Independent Union

LEROY H. SCHRAMM, Chief
State Labor Relations Bureau

BOB BETHKE, Vice President
Warm Springs Independent Union

5-19-78
DATE

MPEA

MEMORANDUM OF AGREEMENT

The Montana Public Employees Association and the State Labor Relations Bureau hereby agree:

1. Pay rule #4.01 shall be incorporated into the Master Contract minus the last clause in section (b) dealing with special adjustments.

2. Subject to legislative approval salary schedules as per attachments A & B shall be incorporated into the contract for the two year period beginning with the first full payroll period following June 30, 1979. Normal progression from Step 1 to Step 2 shall be after 6 months of employment unless such progression is disallowed by the legislature.

3. Included within the aforementioned salary schedule amounts are State insurance contributions of $50 a month fiscal year 1980 and $60 a month for fiscal year 1981. It is understood that the Union desires that such contributions be made in full on behalf of all employees, and the State agrees to present to the Legislature the Union's preference for such a system of "composite" contributions.

TOM SCHNEIDER, Executive Director
Montana Public Employees Assoc.

LEROY H. SCHRAMM, Chief
State Labor Relations Bureau

ED KRAFT, MPEA

DATE

MICKEY HINES, MPEA

DENNIS MCLUSKIE, MPEA

JUDI WOLFF, MPEA

MEL WOJCIK, MPEA

TOM CARRANCO, MPEA

LOWELL SMITH, MPEA

RAY HOFFMAN, MPEA

75

AFSCME

MEMORANDUM OF AGREEMENT

This Agreement is made and entered into between the State of Montana in behalf of the State Department of Institutions, Boulder River School and Hospital, Galen State Hospital and the Montana State Prison and the State Department of Justice in behalf of the Motor Vehicle Registrar's Office and Locals 971, 1064, 1620 and 2006 of the American Federation of State, County and Municipal Employees Union, AFL-CIO, as a tentative settlement of contract negotiations for the 1980 - 1981 biennium.

The following language shall be added to the appropriate Articles in the Institutional Contract and the Registrar's Office Contract:

> For employees on Worker's Compensation and/or extended non-paid approved sick leave the employer shall continue the Employer's contributions to their group health and accident insurance plan for such period up to and including three (3) months of such leave.

The annual pay matrix contained in 2-18-312 MCA shall be adjusted by the following formula: multiply step 2 of each salary grade by 3% and add an additional $360.00. Using step 2 as a base, increase each consecutive step by adding an additional 2% more than the previous step. The new rate to be applied to step 1 of each grade shall be calculated by dividing the rate applied in step 2 by 1.05%. The resulting salary matrix shall become effective as of the first pay period in July, 1979. In order to obtain the salary matrix effective as of the first pay period in July 1980, you must apply the formula above to the matrix created for the 1980 fiscal year.

Normal progression from step 1 to step 2 shall be upon completion of an employee's first six months of employment at which time an employee's anniversary date shall be established. Progression to each subsequent step shall be upon each employee's anniversary date thereafter.

Included within the aforementioned salary matrices are state insurance contributions of $50.00 per month for fiscal year 1980 and $60.00 per month for fiscal year 1981. It is understood that the Union desires that such contributions include an employee's right to receive contributions in excess of premiums to be reverted to wages, and the state agrees to present such proposal to the legislature.

It is agreed that the provisions regarding salary matrices and insurance contributions are subject to legislative approval and this memorandum of agreement is contingent upon that approval. It is further agreed that all provisions of this memorandum of agreement and the return to work agreement

COMMITTEE ON _____ BILL NO. HB891

VISITOR'S REGISTER

NAME	REPRESENTING	Check One: Support	Oppo
Darlene Hruck	Mt Union Systems Benefits Com.		
Bob Lesle	Concerned State Employees		
Richard R Beausoleil	Warm Springs Independent Union		
Roy H. Schramm	Labor Relations Bureau	✓	
David Evenson	Personnel Division		
Art McCurdy	Labor Relations Bureau	✓	
Bob Fasbender	Cascade Co. Comm.		✓
P. Hollingsworth	Teamsters Employees	✓	
Tom Judge	AFSCME, AFL-CIO 891	Amend	
Tom Schneider	MPEA	✓	
Doyle Sorby	Dept of Adm. HB 384	✓	
W S Gosnell	Personnel Div, 891	✓	
Dave Lewis	Dept of Admin HB 891	✓	
Linda Gamble	OBPP		
Rod Weiss	OBPP		
Annette R Ryan	Local 1064 Registrar's Office	Amend	
Marie Hansen	Salem Local 1625	Amend	
Eric A. Edsel	Reg Office Local 1064	Amend	
Lesa Ridley	Salem Local 1625	Amend	
Pat McKittrick	MT-Judges Assoc. HB-507, 508	✓	
	J.C. & Teamsters. H.B. 891		
Roger Lindell	Personnel Division	✓	
Ed Hall	Blue Cross of West.	✓	
Ellen Bush	MT C E A	✓	
Jim Cadigan	Mt. State Council Carp.	✓	
MP Eskelson	Personnel Division	✓	

COMMITTEE ON _____ BILL NO. HB 891

VISITOR'S REGISTER

NAME	REPRESENTING	Check On Support	Oppose
Dand Stitelex	—	—	—
Mary Craig	DOR	Amends	
Jessy Forbes	DOR	-	

(Please leave prepared statement with Secretary)

MINUTES OF THE MEETING
FINANCE AND CLAIMS COMMITTEE
MONTANA STATE SENATE

April 13, 1979

The forty-first meeting of the Senate Finance and Claims Committee met on the above date at 12:20 P.M. in room 108 of the State Capitol Building. Following Roll call the meeting was called to order by the Chairman, Senator Himsl.

ROLL CALL: All members present except Senator Boylan who had another committee meeting and was excused, later Thiessen & Story.

Senator Story said he had the information for the committee on the amount of money the committee was interested in in the big budget bill.

DISPOSITION OF HOUSE BILL 891: Motion by Senator Lockrem to strike line 21 through 25 on page 17 and line 1 through line 8 on page 18 and to change the figures on page 21, line 7. Figures inserted are those on the amendment proposed by Larry Schram. Attached.

Voted and passed. Unanimous, Senator Thiessen absent.

Motion by Senator Fasbender to move the amendment on flexibility. page 9, line 8, attached.

Voted, passed. unanimous, Senator Thiessen and Story absent.

Motion by Senator Regan to move the bill as amended. Voted and passed. Senator Aklestad voting no, Senator Thiessen absent, Senator Fasbender to carry the bill.

The meeting was adjourned at 1:13 p.m.

Senator Himsl, Chairman

ROLL CALL

SENATE FINANCE AND CLAIMS COMMITTEE

46TH LEGISLATIVE SESSION 1979 Date 2-13

NAME	PRESENT	ABSENT	EXCUSED
SENATOR HIMSL	✓		
SENATOR STORY	✓		
SENATOR AKLESTAD	✓		
SENATOR LOCKREM	✓		
SENATOR ETCHART	✓		
SENATOR NELSON	✓		
SENATOR SMITH	✓		
SENATOR BOYLAN			✓
SENATOR REGAN	✓		
SENATOR FASBENDER	✓		
SENATOR THIESSEN			
SENATOR THOMAS	✓		
SENATOR STIMATZ	✓		

April 16, 1979

SENATE STANDING COMMITTEE REPORT

That House Bill No. 891, third reading bill, be amended as follows:

1. Page 9, line 8.
Following: line 7
Insert: "(7) the Department may develop a program which will enable the Department to mitigate problems associated with difficult recruitment, retention, transfer or other exceptional circumstances. In so far as the program may apply to employees within a collective bargaining unit, it shall be a negotiable subject under MCA 39-31-305."

2. Page 17, line 21 through page 18, line 8.
Following: line 20
Strike: line 21 through line 8, page 18
Insert:

"B1	5.363
B2	5.691
B3	6.019
B4	6.347
B5	6.675
B6	7.003
B7	7.331
B8	7.659
B9	7.987
B10	8.315
B11	8.643
B12	8.971
BOO**	9.299

Up to $.031 of the hourly increase granted above for Fiscal Year 1981 shall not be granted to an employee to the extent that the employee would receive a rate, commonly called a red-circled rate, exceeding the above listed rates due to the fact that such employee, at the time the blue collar plan was originally implemented, was paid at a rate greater than the standard blue collar rate for his classification."

3. Page 21, line 7.
Following: "and"
Strike: "12,888,269"
Insert: "12,918,269"

EIGHTY-SIXTH LEGISLATIVE DAY

Helena, Montana
April 16, 1979

Senate Chambers
Capitol Building

Senate convened at 1:30 p.m., President Mathers presiding. Invocation by the Chaplain. Pledge of Allegiance to the Flag.

Roll call. All members present except Olson, excused. Quorum present.

Mr. President: We, your Committee on Bills and Journal, having examined the daily journal for the Eighty-second Legislative Day, find the same to be correct.

DOVER, Chairman

REPORTS OF STANDING COMMITTEES

BILLS (Dover, Chairman):
Considered correctly engrossed - SJR 11, SJR 38. Report adopted.
Correctly enrolled - SB 497. Report adopted.

I have examined Senate Bill No. 497 introduced by me and find the same to be correct. (Van Valkenburg)

The Senate will please take note that the President will at the hour of adjournment, April 16, 1979, sign the following bills:
SB 497, HB 682, HB 807, HB 897.

William L. Mathers
President

STATE ADMINISTRATION (Story, Chairman):
SB 525 do pass. Report adopted.

FINANCE AND CLAIMS (Himsl, Chairman):
HB 891, third reading bill, be amended as follows:

1. Page 9, line 8.
Following: line 7
Insert: "(7) the Department may develop a program which will enable the Department to mitigate problems associated with difficult recruitment, retention, transfer or other exceptional circumstances. Insofar as the program may apply to employees within a collective bargaining unit, it shall be a negotiable subject under MCA 39-31-305."

2. Page 17, line 21 through page 18, line 8.
Following: line 20
Strike: line 21 through line 8, page 18
Insert:

"B1	5.363
B2	5.691
B3	6.019
B4	6.347
B5	6.675
B6	7.003
B7	7.331
B8	7.659
B9	7.987
B10	8.315
B11	8.643

B12	8.971
B00**	9.299

Up to $.031 of the hourly increase granted above for Fiscal Year 1981 shall not be granted to an employee to the extent that the employee would receive a rate, commonly called a red-circled rate, exceeding the above listed rates due to the fact that such employee, at the time the blue collar plan was originally implemented, was paid at a rate greater than the standard blue collar rate for his classification."

3. Page 21, line 7.
Following: "and"
Strike: "12,888,269"
Insert: "12,918,269"

And, as so amended, be concurred in. Report adopted.

TAXATION (Turnage, Chairman):
HB 848, third reading bill, be amended as follows:

1. Title, lines 4 and 5.
Following: "A"
Strike: "FEE IN LIEU OF"

2. Title, line 5.
Following: "FOR"
Insert: "AUTOMOBILES, LIGHT TRUCKS, MOTORCYCLES,"

3. Title, line 6.
Following: "SECTIONS"
Insert: "10-2-301,"

4. Title, line 7.
Following: "15-6-111,"
Insert: "15-6-113,"
Following: "15-6-201,"
Strike: remainder of line 7 and lines 8 and 9 in their entirety
Insert: "61-3-502, 61-3-503, AND"

5. Title, line 10.
Following: "61-3-504,"
Strike: "AND 61-3-509,"

6. Title, lines 10 and 11.
Following: "REPEALING"
Strike: "SECTIONS"
Insert: "SECTION"
Following: "15-6-121"
Strike: "AND 15-8-203"

7. Title, line 11.
Following: "MCA"
Insert: "; AND PROVIDING FOR COORDINATION WITH HOUSE BILL 213"

8. Page 1, line 14.
Following: line 13
Strike: section 1 in its entirety
Insert: "SECTION 1. THERE IS A NEW MCA SECTION THAT READS:

53

HOUSE BILL NO. 891

INTRODUCED BY SOUTH, GERKE, DUSSAULT, VINCENT, RAMIREZ

A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH STATE EMPLOYEE COMPENSATION AND PROVIDE PAY SCHEDULES FOR FISCAL YEARS 1980 AND 1981; APPROPRIATING FUNDS THEREFOR; AMENDING SECTIONS 2-18-101, 2-18-106, 2-18-301, 2-18-303, 2-18-304, 2-18-305, 2-18-311, 2-18-312, 2-18-701, AND 2-18-703, MCA; AND REPEALING SECTION 2-18-307, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Refer to Introduced Bill

(Strike everything after the enacting clause and insert:)

Section 1. Section 2-18-101, MCA, is amended to read:

"2-18-101. Definitions. As used in parts 1 through 3 of this chapter, the following definitions apply:

(1) "Agency" means a department, board, commission, office, bureau, institution, or unit of state government recognized in the state budget.

(2) "Compensation" means the annual or hourly wage or salary ~~plus~~ and includes the ~~annual~~ state contribution ~~of health insurance premiums~~ to group benefits under provisions of 2-18-703.

(3) "Department" means the department of administration.

(4) Except in 2-18-306, "employee" means any state employee other than an employee excepted under 2-18-103 from the statewide classification system.

(5) "Personal staff" means those positions occupied by employees appointed by the elected officials enumerated in 2-18-103(10).

(6) "Position" means a collection of duties and responsibilities currently assigned or delegated by competent authority, requiring the full-time, part-time, or intermittent employment of one person.

(7) "Program" means a combination of planned efforts to provide a service."

Section 2. Section 2-18-106, MCA, is amended to read:

"2-18-106. No limitation on legislative authority. Parts 1, and 2, and 3 do not limit the authority of the legislature relative to appropriations for salary and wages. The budget director shall adjust his determinations in accordance with legislative appropriations."

Section 3. Section 2-18-301, MCA, is amended to read:

"2-18-301. ~~Rules~~ Purpose and intent of part -- rules. (1) The purpose of this part is to provide the compensation necessary to attract and retain competent and qualified employees in order to perform the services the state is required to provide to its citizens.

(2) It is the intent of the legislature that, for the

REFERENCE BILL

biennium ending June 30, 1981, the:

(a) pay schedules provided for in 2-18-311, 2-18-312, [section 9], [section 10], and [section 11] supersede any other plan or systems established through collective bargaining after the adjournment of the 46th Legislature;

(b) pay levels provided for in 2-18-311, 2-18-312, [section 9], [section 10], and [section 11] may not be increased through collective bargaining after adjournment of the 46th Legislature; and

(c) total funds required to implement the pay schedules provided for in 2-18-311, 2-18-312, [section 9], [section 10], and [section 11] for any employee group or bargaining unit may not be increased through collective bargaining over the amount appropriated by the 46th Legislature.

(3) The department shall administer the pay program established by the legislature on the basis of merit, internal equity, and competitiveness to external labor markets when fiscally able.

(4) The department ~~of administration, subject to approval by the budget director,~~ may promulgate rules not inconsistent with the provisions of this part, collective bargaining statutes, or negotiated contracts to carry out the purposes of this part."

Section 4. Section 2-18-303, MCA, is amended to read:

"2-18-303. Procedures for utilizing pay schedules. ~~(1) The pay matrix provided in 2-18-311 indicates the annual compensation for the fiscal year ending June 30, 1978, for each step and grade for positions classified under provisions of law. Except as provided in 2-18-307 for collective bargaining units, the compensation of each employee shall, on the first day of the first pay period in July, 1977, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1977. The employee will advance one step on the employee's anniversary date as determined by the department of administration. If the employee's anniversary date falls between (inclusive) July 1 and the first day of the first pay period of 1977, he or she will advance one step on the first day of that pay period.~~

~~(2) The pay matrix provided in 2-18-312 indicates the annual compensation for the fiscal year ending June 30, 1979, for each step and grade for positions classified under provisions of law. Except as provided in 2-18-307 for collective bargaining units, the compensation of each employee shall, on the first day of the first pay period in July, 1978, as determined by the budget director, be that amount which corresponds to the grade and step occupied on June 30, 1978. The employee will advance one step on the employee's anniversary date as determined by the department~~

~~of-administration.-If-the-employee's-anniversary-date--falls between--(inclusive)--July--1-and-the-first-day-of-the-first pay-period-of-1978,-he-or-she-will-advance-one-step--on--the first-day-of-that-pay-period.~~ (1) The pay schedules provided in 2-18-311 and 2-18-312 shall be implemented as follows:

(a) The pay schedule provided in 2-18-311 indicates the annual compensation for the fiscal year ending June 30, 1980, for each grade and step for positions classified under the provisions of part 2 of this chapter.

(b) The pay schedule provided in 2-18-312 indicates the annual compensation for the fiscal year ending June 30, 1981, for each grade and step for positions classified under the provisions of part 2 of this chapter.

(c) Each new employee shall advance from step 1 to step 2 of a grade after successfully completing 6 months of probationary service. The anniversary date of an employee shall be established at the end of the probationary period in accordance with rules promulgated by the department.

(d) (i) The compensation of each employee on the first day of the first pay period in fiscal year 1980 shall be that amount which corresponds to the grade and step occupied on the last day of the preceding fiscal year of 1979.

(ii) The compensation of each employee on the first day of the first pay period in fiscal year 1981 shall be that amount which corresponds to the grade and step occupied on

the last day of the fiscal year 1980.

(iii) In compliance with rules adopted to implement [this act], each employee is eligible on his anniversary date to advance one step in the pay matrix each fiscal year. However, if the employee's anniversary date falls between (inclusive) July 1 and the first day of the first pay period of fiscal year 1980 or 1981, as the case may be, he will advance one step on the first day of that pay period.

(2) The pay schedules provided in 2-18-311 and 2-18-312 and the provisions of subsection (1) of this section do not apply to those institutional teachers, liquor store occupations, or blue-collar occupations compensated under the pay schedules provided in [sections 9, 10, or 11 of this act].

(3) The pay schedules provided in [sections 9, 10, or 11 of this act] shall be implemented as follows:

(a) (i) The pay schedules provided in [section 9 of this act] indicate the annual compensation for the contracted school term for teachers employed by institutions under the authority of the department of institutions for fiscal years 1980 and 1981.

(ii) The compensation of each teacher on the first day of the first pay period in July 1980 shall be that amount which corresponds to his level of academic achievement and the next highest grade from that occupied on June 30, 1979.

(iii) The compensation of each teacher on the first day of the first pay period in July 1981 shall be that amount which corresponds to his level of achievement and the next highest grade from that occupied on June 30, 1980.

(b) (i) The pay schedules provided in [section 10 of this act] indicate the maximum hourly compensation for fiscal years ending June 30, 1980, and June 30, 1981, for those employees in liquor store occupations who have collectively bargained separate classification and pay plans.

(ii) The compensation of each employee on the first day of the first pay period in fiscal year 1980 or 1981, as the case may be, shall be that amount which corresponds to that grade occupied on the last day of the preceding fiscal year.

(c) (i) The pay schedules provided in [section 11 of this act] indicate the maximum hourly compensation for fiscal years ending June 30, 1980, and June 30, 1981, for employees in apprentice trades and crafts and other blue-collar occupations recognized in the state blue-collar classification plan who are members of units that have collectively bargained separate classification and pay plans.

(ii) The compensation of each employee on the first day of the first pay period in fiscal year 1980 or 1981, as the case may be, shall be that amount which corresponds to that

grade occupied on the last day of the preceding fiscal year.

(4) (a) (i) No member of a bargaining unit may receive the amounts indicated in the respective pay schedules provided in 2-18-311, 2-18-312, or [sections 9, 10, or 11 of this act] until the bargaining unit of which he is a member ratifies a completely integrated collective bargaining agreement covering the biennium ending June 30, 1981.

(ii) In the event that negotiation and ratification of a completely integrated collective bargaining agreement as required by subsection (4)(a)(i) of this section are not completed by July 1, 1979, retroactivity to that date may be negotiated.

(iii) In the event that negotiation and ratification of a completely integrated collective bargaining agreement as required by subsection (4)(a)(i) of this section are not completed by July 1, 1979, members of the bargaining unit involved will continue to receive the compensation they were receiving as of June 30, 1979.

(b) Methods of administration not inconsistent with the purpose of [this act] and necessary to properly implement the pay schedules provided in [sections 9, 10, or 11 of this act] may be provided for in collective bargaining agreements.

(5) The current wage or salary of an employee shall not be reduced by the implementation of the pay schedules

provided for in 2-18-311, 2-18-312, or [sections 9, 10, or 11 of this act].

(6) The department may authorize a separate pay schedule for medical doctors if the rates provided in 2-18-311 and 2-18-312 are not sufficient to attract and retain fully licensed and qualified physicians at the state institutions.

(7) THE DEPARTMENT MAY DEVELOP A PROGRAM WHICH WILL ENABLE THE DEPARTMENT TO MITIGATE PROBLEMS ASSOCIATED WITH DIFFICULT RECRUITMENT, RETENTION, TRANSFER, OR OTHER EXCEPTIONAL CIRCUMSTANCES. INSOFAR AS THE PROGRAM MAY APPLY TO EMPLOYEES WITHIN A COLLECTIVE BARGAINING UNIT, IT SHALL BE A NEGOTIABLE SUBJECT UNDER 39-31-305."

Section 5. Section 2-18-304, MCA, is amended to read:

"2-18-304. Longevity allowance. In addition to the compensation ~~determined~~ provided for in 2-18-311, ~~and~~ 2-18-312, [section 9 of this act], [section 10 of this act], or [section 11 of this act], each employee who has completed ~~at--least~~ 5 years of uninterrupted state service shall receive ~~the-amount-obtained-by-multiplying~~ the larger of $10 a month or 10% of the difference between the base compensation for his grade and step ~~(where applicable)~~ and the base compensation for the next highest grade and corresponding step ~~(where applicable) in-the-next-highest grade~~ multiplied by the number of completed, contiguous

5-year periods of uninterrupted state service ~~he-has-with the-state~~. Service to the state ~~may~~ is not ~~be-considered--to have-been~~ interrupted by authorized leaves of absence."

Section 6. Section 2-18-305, MCA, is amended to read:

"2-18-305. Allocation between wages and ~~health insurance~~ group benefits. (1) The dollar amounts shown in the respective ~~matrices~~ pay schedules provided in 2-18-311, ~~and~~ 2-18-312, [section 9 of this act], [section 10 of this act], or [section 11 of this act], as the case may be, represent the maximum amount allocated by the state for wages and ~~health--insurance~~ group benefits, exclusive of longevity as defined in 2-18-304. Except as provided in subsection (2) of this section, that amount specifically allocated for ~~health--insurance~~ group benefits shall be determined by 2-18-703. An employee who elects not to be covered by a state ~~health insurance~~ employee group benefit plan will receive as wages the amount shown in the appropriate ~~matrix~~ pay schedule less the state contribution for ~~health--insurance~~ group benefits as determined by 2-18-703.

(2) Employees may, through collective bargaining, determine the allocation of the amounts shown in the ~~matrices---of~~ pay schedules provided in 2-18-311, and 2-18-312, [section 9 of this act], [section 10 of this act], or [section 11 of this act], as the case may be, between

wages and ~~health-insurance~~ group benefits, except that in no case may the ~~health-insurance~~ group benefits allocation be less than the amounts provided in 2-18-703."

Section 7. Section 2-18-311, MCA, is amended to read:

"2-18-311. Pay ~~matrix~~ schedule for ~~first~~ fiscal year 1980.

GRD	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09	STEP 10	STEP 11	STEP 12	STEP 13
1													
2													
3													
4													
5													
6													
7													
8													
9													
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11													
12													
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25													

Section 8. Section 2-18-312, MCA, is amended to read:

"2-18-312. Pay ~~matrix~~ schedule for second fiscal year 1981.

~~1978--1979 STATE ANNUAL SALARY MATRIX~~

GRD	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09	STEP 10	STEP 11	STEP 12	STEP 13
1			5,784	5,911	6,031	6,120	6,210	6,326	6,443	6,567	6,691	6,772	6,855
2	5,955	6,086	6,210	6,326	6,443	6,567	6,691	6,820	6,951	7,081	7,212	7,301	7,390
3	6,414	6,556	6,691	6,820	6,951	7,081	7,212	7,356	7,501	7,645	7,790	7,884	7,981
4	6,912	7,066	7,212	7,356	7,501	7,645	7,790	7,941	8,092	8,256	8,421	8,532	8,640
5	7,463	7,630	7,790	7,941	8,092	8,256	8,421	8,593	8,765	8,943	9,121	9,239	9,355
6	8,066	8,247	8,421	8,593	8,765	8,943	9,121	9,306	9,493	9,685	9,870	10,008	10,139
7	8,734	8,931	9,121	9,306	9,493	9,685	9,870	10,083	10,289	10,502	10,716	10,859	11,003
8	9,456	9,670	9,870	10,083	10,289	10,502	10,716	10,942	11,160	11,402	11,635	11,794	11,952
9	10,256	10,489	10,716	10,942	11,160	11,402	11,635	11,883	12,130	12,384	12,630	12,810	12,982
9.5	10,695	10,938	11,175	11,412	11,640	11,893	12,137	12,394	12,652	12,923	13,194	13,373	13,551
10	11,134	11,387	11,635	11,883	12,130	12,384	12,630	12,906	13,174	13,462	13,750	13,936	14,121
10.5	11,615	11,879	12,139	12,394	12,653	12,923	13,194	13,477	13,761	14,050	14,350	14,554	14,747
11	12,091	12,367	12,630	12,906	13,174	13,462	13,750	14,045	14,341	14,650	14,959	15,166	15,372
11.5	12,622	12,910	13,194	13,477	13,761	14,050	14,350	14,664	14,974	15,297	15,617	15,834	16,053
12	13,153	13,454	13,750	14,045	14,341	14,650	14,959	15,282	15,605	15,942	16,278	16,506	16,732
12.5	13,733	14,047	14,358	14,664	14,974	15,297	15,619	15,959	16,301	16,652	17,007	17,243	17,480
13	14,307	14,635	14,959	15,282	15,605	15,942	16,278	16,636	16,993	17,363	17,734	17,982	18,228
14	15,566	15,923	16,278	16,621	16,965	17,309	17,651	17,995	18,339	18,683	19,026	19,367	19,712
15	16,956	17,346	17,734	18,078	18,422	18,765	19,107	19,451	19,794	20,138	20,482	20,825	21,168
16	18,490	18,916	19,341	19,685	20,029	20,371	20,715	21,058	21,402	21,745	22,089	22,433	22,775
17	20,156	20,621	21,086	21,429	21,773	22,117	22,459	22,803	23,147	23,489	23,833	24,177	24,520
18	21,991	22,499	23,009	23,352	23,696	24,040	24,383	24,725	25,069	25,412	25,756	26,100	26,444
19	24,011	24,567	25,125	25,469	25,810	26,154	26,498	26,842	27,184	27,528	27,872	28,215	28,558
20	26,214	26,822	27,433	27,774	28,118	28,462	28,806	29,149	29,493	29,837	30,179	30,523	30,866
21	28,640	29,305	29,974	30,350	30,660	31,004	31,347	31,690	32,033	32,377	32,720	33,064	33,400
22	31,301	32,028	32,761	33,105	33,449	33,792	34,136	34,478	34,822	35,165	35,509	35,853	36,196
23	34,212	35,000	35,811	36,154	36,498	36,842	37,186	37,527	37,871	38,215	38,558	38,902	39,246
24	37,412	38,283	39,163	39,507	39,850	40,193	40,536	40,879	41,223	41,567	41,910	42,253	42,597
25	40,926	41,879	42,844	43,187	43,531	43,875	44,217	44,561	44,905	45,248	45,592	45,934	46,278

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~~HOUSE BILL 801 + 58 (14 ¢)~~

GRD	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09	STEP 10	STEP 11	STEP 12	STEP 13
1	5,892	6,186	6,310	6,436	6,565	6,696	6,830	6,967	7,106	7,248	7,393	7,541	7,692
2	6,313	6,629	6,762	6,897	7,035	7,176	7,320	7,466	7,615	7,767	7,922	8,080	8,242
3	6,774	7,112	7,254	7,399	7,547	7,698	7,852	8,009	8,169	8,332	8,499	8,669	8,842
4	7,274	7,638	7,791	7,947	8,106	8,268	8,433	8,602	8,774	8,949	9,128	9,311	9,497
5	7,828	8,219	8,383	8,551	8,722	8,896	9,074	9,255	9,440	9,629	9,822	10,018	10,218
6	8,433	8,855	9,032	9,213	9,397	9,585	9,777	9,973	10,172	10,375	10,583	10,795	11,011
7	9,104	9,559	9,750	9,945	10,144	10,347	10,554	10,765	10,980	11,200	11,424	11,652	11,885
8	9,829	10,320	10,526	10,737	10,952	11,171	11,394	11,622	11,854	12,091	12,333	12,580	12,832
9	10,632	11,164	11,387	11,615	11,847	12,084	12,326	12,573	12,824	13,080	13,342	13,609	13,881
10	11,513	12,089	12,331	12,578	12,830	13,087	13,349	13,616	13,888	14,166	14,449	14,738	15,033
11	12,474	13,098	13,360	13,627	13,900	14,178	14,462	14,751	15,046	15,347	15,654	15,967	16,286
12	13,541	14,218	14,502	14,792	15,088	15,390	15,698	16,012	16,332	16,659	16,992	17,332	17,679
13	14,699	15,434	15,743	16,058	16,379	16,707	17,041	17,382	17,730	18,085	18,447	18,816	19,192
14	16,043	16,845	17,181	17,525	17,876	18,234	18,599	18,970	19,350	19,737	20,132	20,535	20,946
15	17,445	18,317	18,684	19,058	19,439	19,828	20,225	20,629	21,042	21,463	21,892	22,330	22,776
16	18,993	19,942	20,341	20,748	21,163	21,586	22,019	22,459	22,908	23,366	23,834	24,310	24,796
17	20,674	21,708	22,142	22,585	23,037	23,497	23,967	24,447	24,936	25,435	25,943	26,462	26,991
18	22,525	23,652	24,125	24,607	25,100	25,602	26,115	26,638	27,170	27,714	28,269	28,834	29,411
19	24,564	25,792	26,308	26,835	27,371	27,919	28,478	29,048	29,628	30,221	30,825	31,441	31,441
20	26,787	28,127	28,690	29,264	29,849	30,445	31,055	31,676	32,309	32,955	33,614	33,614	33,614
21	29,235	30,697	31,311	31,937	32,576	33,227	33,892	34,569	35,260	35,966	35,966	35,966	35,966
22	31,920	33,516	34,186	34,869	35,567	36,278	37,004	37,744	38,499	38,499	38,499	38,499	38,499
23	34,857	36,600	37,332	38,078	38,840	39,617	40,409	41,217	41,217	41,217	41,217	41,217	41,217
24	38,086	39,990	40,790	41,606	42,438	43,287	44,153	44,153	44,153	44,153	44,153	44,153	44,153
25	41,631	43,713	44,588	45,479	46,389	47,316	47,316	47,316	47,316	47,316	47,316	47,316	47,316

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NEW SECTION. Section 9. Pay schedules for institutional teachers.

(1) Teacher pay schedule for fiscal year 1980:

Experience (Grade)	BA (Step 1)	BA+1qtr. (Step 2)	BA+2qtr. (Step 3)	5th Year (Step 4)	MA (Step 5)	MA+1qtr. (Step 6)
0	10,250	10,577	10,915	11,079	11,243	11,582
1	10,635	11,001	11,368	11,456	11,735	12,102
2	11,021	11,427	11,822	12,025	12,227	12,624
3	11,407	11,851	12,275	12,498	12,719	13,145
4	11,793	12,275	12,729	12,971	13,211	13,665
5	12,179	12,700	13,183	13,444	13,703	14,187
6	12,564	13,124	13,637	13,915	14,195	14,708
7	12,950	13,550	14,089	14,388	14,687	15,229
8	13,336	13,974	14,543	14,861	15,181	15,750
9	13,724	14,399	14,997	15,335	15,673	16,271

(2) Teacher pay schedule for fiscal year 1981:

Experience (Grade)	BA (Step 1)	BA+1qtr. (Step 2)	BA+2qtr. (Step 3)	5th Year (Step 4)	MA (Step 5)	MA+1qtr. (Step 6)
0	11,070	11,420	11,783	11,959	12,135	12,498
1	11,483	11,875	12,269	12,363	12,662	13,056
2	11,897	12,332	12,756	12,973	13,190	13,616
3	12,311	12,787	13,241	13,481	13,718	14,175
23	4	12,724	13,241	13,728	13,988	14,245	14,732
24	5	13,138	13,697	14,215	14,495	14,773	15,292
25	6	13,551	14,152	14,702	15,000	15,301	15,851

~~HOUSE BILL 891 + 58(14-9)~~

~~1980 1981 STATE ANNUAL SALARY MATRIX~~

~~INCLUDING INSURANCE~~

~~NOTE:~~

GRD	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09	STEP 10	STEP 11	STEP 12	STEP 13
1	6,412	6,732	6,867	7,004	7,144	7,287	7,433	7,582	7,734	7,889	8,047	8,208	8,372
2	6,845	7,188	7,332	7,479	7,629	7,782	7,938	8,097	8,259	8,424	8,592	8,764	8,939
3	7,320	7,686	7,840	7,997	8,157	8,320	8,486	8,656	8,829	9,006	9,186	9,370	9,557
4	7,835	8,227	8,392	8,560	8,731	8,906	9,084	9,266	9,451	9,640	9,833	10,030	10,231
5	8,405	8,825	9,002	9,182	9,366	9,553	9,744	9,939	10,138	10,341	10,548	10,759	10,974
6	9,029	9,480	9,670	9,863	10,060	10,261	10,466	10,675	10,889	11,107	11,329	11,556	11,787
7	9,720	10,206	10,410	10,618	10,830	11,047	11,268	11,493	11,723	11,957	12,196	12,440	12,689
8	10,466	10,989	11,209	11,433	11,662	11,895	12,133	12,376	12,624	12,876	13,134	13,397	13,665
9	11,294	11,859	12,096	12,338	12,585	12,837	13,094	13,356	13,623	13,895	14,173	14,456	14,745
10	12,201	12,811	13,067	13,328	13,595	13,867	14,144	14,427	14,716	15,010	15,310	15,616	15,928
11	13,191	13,851	14,128	14,411	14,699	14,993	15,293	15,599	15,911	16,229	16,554	16,885	17,223
12	14,290	15,004	15,304	15,610	15,922	16,240	16,565	16,896	17,234	17,579	17,931	18,290	18,656
13	15,483	16,257	16,582	16,914	17,252	17,597	17,949	18,308	18,674	19,047	19,428	19,817	20,214
14	16,952	17,800	18,156	18,519	18,890	19,268	19,654	20,046	20,447	20,857	21,274	21,699	22,133
15	18,404	19,324	19,711	20,105	20,507	20,917	21,335	21,761	22,197	22,641	23,094	23,555	24,026
16	20,006	21,007	21,427	21,855	22,293	22,738	23,194	23,657	24,131	24,614	25,106	25,608	26,120
17	21,746	22,833	23,290	23,755	24,230	24,715	25,209	25,713	26,227	26,751	27,286	27,832	28,389
18	23,663	24,846	25,343	25,850	26,367	26,894	27,433	27,981	28,541	29,111	29,693	30,287	30,893
19	25,773	27,062	27,603	28,156	28,719	29,294	29,880	30,478	31,088	31,710	32,344	32,991	33,651
20	28,074	29,478	30,068	30,669	31,282	31,907	32,545	33,196	33,859	34,536	35,227	35,227	35,227
21	30,608	32,139	32,782	33,437	34,106	34,787	35,483	36,193	36,918	37,656	37,656	37,656	37,656
22	33,387	35,057	35,758	36,473	37,202	37,947	38,705	39,479	40,269	40,269	40,269	40,269	40,269
23	36,428	38,250	39,014	39,795	40,591	41,403	42,231	43,075	43,075	43,075	43,075	43,075	43,075
24	39,770	41,759	42,595	43,446	44,315	45,202	46,105	46,105	46,105	46,105	46,105	46,105	46,105
25	43,440	45,613	46,525	47,455	48,404	49,373	49,373	49,373	49,373	49,373	49,373	49,373	49,373

7	13,965	14,609	15,187	15,508	15,828	16,410
8	14,379	15,064	15,674	16,015	16,358	16,968
9	14,795	15,519	16,161	16,523	16,886	17,527
10	15,208	15,974	16,705	17,031	17,413	18,086

NEW SECTION. Section 10. Pay schedules for liquor store occupations. (1) Liquor store pay schedule for fiscal year 1980:

Grade	$/Hour
L1	4.533
L2	4.893
L3	5.263
L4	5.468
L5	5.683
L6	6.133
L7	6.623
L8	7.173

(2) Liquor store pay schedule for fiscal year 1981:

Grade	$/Hour
L1	4.893
L2	5.253
L3	5.623
L4	5.828
L5	6.043
L6	6.493
L7	6.983

L8	7.533

NEW SECTION. Section 11. Pay schedules for blue-collar occupations. (1) Blue-collar pay schedule for fiscal year 1980:

Grade	$/Hour
B1	5.036
B2	5.364
B3	5.692
B4	6.020
B5	6.348
B6	6.676
B7	7.004
B8	7.332
B9	7.660
B10	7.988
B11	8.316
B12	8.644
B00**	8.972

(2) Blue-collar pay schedule for fiscal year 1981:

Grade	$/Hour
B1	~~5.332~~ 5.363
B2	~~5.660~~ 5.691
B3	~~5.988~~ 6.019
B4	~~6.316~~ 6.347
B5	~~6.644~~ 6.675

B6	~~6.972~~	7.003
B7	~~7.300~~	7.331
B8	~~7.620~~	7.659
B9	~~7.956~~	7.987
B10	~~8.284~~	8.315
B11	~~8.612~~	8.643
B12	~~8.940~~	8.971
B00**	~~9.268~~	9.299

UP TO $.031 OF THE HOURLY INCREASE GRANTED ABOVE FOR FISCAL YEAR 1981 SHALL NOT BE GRANTED TO AN EMPLOYEE TO THE EXTENT THAT THE EMPLOYEE WOULD RECEIVE A RATE, COMMONLY CALLED A RED-CIRCLED RATE, EXCEEDING THE ABOVE LISTED RATES DUE TO THE FACT THAT SUCH EMPLOYEE, AT THE TIME THE BLUE COLLAR PLAN WAS ORIGINALLY IMPLEMENTED, WAS PAID AT A RATE GREATER THAN THE STANDARD BLUE COLLAR RATE FOR HIS CLASSIFICATION.

(3) In recognition that the blue-collar employee classes in the university system have been paid at rates higher than employees in the blue-collar classes in the executive branch, it is the intent of the legislature during the next biennium that the board of regents seek wage settlements which reduce the current wage disparities or provide wages equal to those of employees in the executive branch.

Section 12. Section 2-18-701, MCA, is amended to read:

"2-18-701. Definitions. In this part, as it applies to

a person employed in the executive, judicial, or legislative branches of state government, "employee" means:

(1) a permanent full-time employee defined in 2-18-601;

~~(2) a part-time employee defined in 2-18-601 who is scheduled to work at least 20 hours per week;~~

~~(3) a person employed in a seasonal position defined in 2-18-601 who is employed on a regular basis at least 8 months of the fiscal year.~~

(2) a part-time permanent employee, as defined in 2-18-601, who is scheduled to work a regular schedule of 20 hours or more a week;

(3) a seasonal employee, as defined in 2-18-601, who is scheduled to work 6 months or more a year;

(4) elected officials;

(5) officers and employees of the legislative branch;

(6) judges and employees of the judicial branch; and

(7) academic, professional, and administrative personnel having individual contracts under the authority of the board of regents of higher education or the state board of public education."

Section 13. Section 2-18-703, MCA, is amended to read:

"2-18-703. Contributions. (1) ~~The respective administrative and governing bodies~~ Each agency as defined in 2-18-601 shall contribute the amount specified in this

section towards the ~~insurance premium~~ group benefits cost.

~~(1)~~(2) For employees defined in 2-18-701 other than members of collective bargaining units, and for members of the legislature, the employer contribution for ~~insurance~~ group benefits shall be ~~$240~~ $50 per ~~year~~ month for the fiscal year ending June 30, ~~1979~~ 1980, and ~~$360~~ $60 per ~~year~~ month for each fiscal year thereafter. ~~The employer shall prorate this amount for employees who work less than 2,000 hours per year.~~ Permanent part-time employees who are regularly scheduled to work less than 20 hours a week are not eligible for the group benefit contribution. An employee who elects not to be covered by a state-sponsored group benefit plan may not receive the state contribution as wages.

~~(2) For state employee members of a collective bargaining unit the employer shall pay the amount negotiated with the collective bargaining unit.~~

(3) For employees of elementary and high school districts and of local government units, the employer's premium contributions may exceed but ~~shall~~ may not be less than $10 per month.

(4) Unused employer contributions for any state employee shall be transferred to an account established for this purpose by the department and upon such transfer may be used to offset losses occurring to the group of which the

employee is eligible to be a member."

Section 14. Appropriation. There is appropriated to the Office of Budget and Program Planning $4,509,410 for the fiscal year ending June 30, 1980, and $9,490,590 for the fiscal year ending June 30, 1981, from the general fund to carry out the provisions of this act as it pertains to executive branch agencies not including units of the university system, vocational-technical centers, and community colleges. The Office of Budget and Program Planning is authorized to increase the expenditure authority of executive branch agencies, not including units of the university system, vocational-technical centers, and community colleges, by $5,981,022 for the fiscal year ending June 30, 1980, and ~~$12,880,269~~ $12,918,269 for the fiscal year ending June 30, 1981, from funds other than the general fund which accrue under provision of law to the respective agencies to carry out the provisions of this act.

Section 15. Reversion of funds. Appropriated funds not spent at the end of the fiscal year shall revert to the fund from which appropriated.

Section 16. Codification. The code commissioner shall codify sections 9, 10, and 11 of this act in Title 2, chapter 18, part 3, and preferably shall codify them as 2-18-313, 2-18-314, and 2-18-315, respectively.

Section 17. Repealer. Section 2-18-307, MCA, is